

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

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JUN 14 2005

Federal Communications Commission
Office of Secretary

In the Matter of)	
)	
TCR Sports Broadcasting Holding, L.L.P.,)	
)	
Complainant,)	
)	
v.)	File No. _____
)	
Comcast Corporation,)	
)	
Defendant.)	
)	

CARRIAGE AGREEMENT COMPLAINT

EXHIBITS

Volume 1 of 2

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Dated: June 14, 2005

Attorneys for TCR Sports
Broadcasting Holding, L.L.P.

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| 1. | Agreement dated March 28, 2005 by and among the Office of the Commissioner of Baseball d/b/a Major League Baseball, TCR Sports Broadcasting Holding, L.L.P., Baseball Expos, L.P. d/b/a Washington Nationals Baseball Club, and the Baltimore Orioles Limited Partnership |
| 2. | May 27, 2005 TCR Notice of Intent to File Complaint sent to B. Roberts, Chairman & CEO, Comcast Corp. and S. Burke, COO, Comcast Corp. |
| 3. | June 3, 2005 Response from J. Schmidtlein, Williams & Connolly LLP |
| 4. | Declaration of Joseph Foss in Support of the Carriage Agreement Complaint of TCR Sports Broadcasting Holding, L.L.P. (June 3, 2005) |
| 5. | T. Heath, <i>MASN Makes Another Pitch to Comcast for Nats</i> , Washington Post, May 14, 2005 |
| 6. | Emergency Petition For Temporary Injunctive Relief (FCC filed June 14, 2005) |
| 7. | Media Bureau, FCC, Form 325, filed by Comcast for the year 2003 (Reference Numbers 174426, 174434, 175279, 174879, 175762, 174587, 174444 and 175743) |
| 8. | Office of Cable Television and Telecommunications, Government of the District of Columbia, <i>Cable Television Annual Report 2004</i> (Sept. 30, 2004), <i>available at</i> http://octt.dc.gov/news_room/2005/march/OCTT_annual_report_2004.pdf ; Media Bureau, FCC, Form 325, filed by Starpower Communications LLC d/b/a RCN for the year 2003 (Reference Number 171009) |
| 9. | Eleventh Annual Report, <i>Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming</i> , MB Docket No. 04-227, FCC 05-13 (rel. Feb. 4, 2005) |
| 10. | Press Release, Comcast, <i>Comcast Reports First Quarter 2005 Results</i> (Apr. 28, 2005) |
| 11. | 1996 License Agreement: <ul style="list-style-type: none">A. Letter Agreement dated July 19, 1996 Between Mid-Atlantic Sports Network, L.L.C., TCR Sports Broadcasting Holding, L.L.P., Fox, Inc. (as guarantor) and Baltimore Orioles Limited Partnership (as guarantor)B. Side Letter dated July 19, 1996 from J. Martin to P. Angelos |

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| | C. Agreement Acknowledging Acceptance dated Oct. 8, 1996 between Home Team Sports, Westinghouse Elec. Co., Baltimore Orioles Limited Partnership and TCR Sports Broadcasting Holding, L.L.P |
| | D. Letter Agreement dated Oct. 9, 1996 between Home Team Sports, Westinghouse Elec. Co., Baltimore Orioles Limited Partnership and TCR Sports Broadcasting Holding, L.L.P, Accepting the Modifications to the July 19, 1996 Letter Agreement |
| | E. Letter Agreement dated Oct. 9, 1996 between Home Team Sports, Westinghouse Elec. Co., and Baltimore Orioles Limited Partnership |
| | F. Letter Agreement dated Dec. 4, 1996 between Home Team Sports, Westinghouse Elec. Co., and Baltimore Orioles Limited Partnership |
| 12. | Press Release, Baltimore Orioles, <i>Orioles Establish Broadcast Television Network</i> (Feb. 19, 2002) |
| 13. | N. Kercheval, Daily Rec., Feb. 20, 2002; B. Miller, <i>Orioles TV Network Ready for 24/7 Sports Coverage</i> , Daily Rec., June 8, 2002. |
| 14. | D. Steinberg, <i>At Comcast, Sports Mania</i> , Philadelphia Inquirer, Mar. 7, 2005 |
| 15. | Carriage Agreement Complaint, <i>In re Classic Sports Network, Inc.</i> , CSR Docket No. 97-171 (FCC filed Mar. 17, 1997) |
| 16. | T. Arango, <i>Comcast Closer – Roberts Brings on Herb Allen for Vivendi Bid</i> , N.Y. Post, Aug. 11, 2003; A. Parker, <i>Comcast Weighs Bid As Vivendi Deadline Nears</i> , Phila. Inquirer, Aug. 13, 2003; G. Szalai, <i>Comcast Unplugs Buyout Bid for Vivendi Universal</i> , hollywoodreporter.com, Aug. 14, 2003; S. Hofmeister, <i>Comcast Won't Bid for Vivendi Assets</i> , L.A. Times, Aug. 15, 2003 |
| 17. | Comcast Corp – CMCSA Form 8K for period: April 20, 2005 (SEC filed Apr. 26, 2005) |
| 18. | Major League Baseball Executive Council: Discussion Materials presented by Allen & Company LLC, dated September 23, 2004 |
| 19. | First Amended Complaint, <i>Comcast SportsNet Mid-Atlantic, L.P. v. Baltimore Orioles L.P., et al.</i> , No. 260751-V (Md. Cir. Ct. filed May 24, 2005) |

EXHIBIT 1

REDACTED VERSION

**AGREEMENT BY AND AMONG THE OFFICE OF THE COMMISSIONER OF
BASEBALL D/B/A MAJOR LEAGUE BASEBALL, TCR SPORTS BROADCASTING
HOLDING, L.L.P., BASEBALL EXPOS, L.P. D/B/A WASHINGTON NATIONALS
BASEBALL CLUB, AND THE BALTIMORE ORIOLES LIMITED PARTNERSHIP**

This Agreement ("Agreement"), is made as of the **[28th]** day of March, 2005 (the "Effective Date"), by and among the Office of the Commissioner of Baseball d/b/a Major League Baseball (hereinafter "Major League Baseball" or "MLB"), TCR Sports Broadcasting Holding, L.L.P. (hereinafter "TCR" or "RSN"), Baseball Expos, L.P. d/b/a Washington Nationals Baseball Club ("Nationals"), and the Baltimore Orioles Limited Partnership ("BOLP") to provide for the unified telecast of Orioles' and Nationals' baseball games within the defined Television Territory; to guarantee BOLP a minimum franchise sales price; and other agreements; and

WHEREAS, the Orioles' home television territory, as recognized by the parties to this Agreement, is geographically defined and includes the entire states of Maryland, Virginia, Delaware, the District of Columbia and certain counties in West Virginia, Central Pennsylvania and Eastern North Carolina as more particularly set forth in Exhibit A ("Television Territory"); and

WHEREAS, in 2001, the Orioles and TCR established the Orioles' Television Network ("O's TV") as a platform for the Orioles' regional sports network to serve the Orioles' Television Territory; and

WHEREAS, in December 2004, the MLB Clubs approved, over the objection of BOLP, the relocation of the Montreal Expos Baseball Club to Washington, D.C., pursuant to a vote of the member Clubs; and

WHEREAS, the parties hereto desire to resolve various issues and to provide for the presentation and telecast of all available Nationals' baseball games in the Television Territory through a regional sports network along with all available Orioles' baseball games, unifying the games of both Clubs for telecast throughout the entire Television Territory; and

WHEREAS, the parties desire to express their mutual agreements, covenants, promises and understandings in a written agreement; and

NOW THEREFORE, in consideration of mutual promises of the parties hereto, each to the other, and for good and valuable considerations, receipt of which is hereby acknowledged, it is mutually agreed by and among the parties hereto as follows:

Section 1. Franchise Asset Valuation Protection **REDACTED**

Section 2. Regional Sports Network

2.A. General – The Regional Sports Network: TCR, through O's TV, currently serves as the foundation for the Orioles' regional sports network. TCR will be the basis for the regional sports network that will have the sole and exclusive right to present any and all of the Nationals' and the Orioles'

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baseball games not otherwise retained or reserved by Major League Baseball's national rights agreements, including all preseason, regular season and postseason games (if applicable and available) (hereinafter "Available Games"), for each of the Nationals and the Orioles (through cable, satellite, over-the-air television, or such other technology as may then be generally allowed by Major League Baseball; hereinafter "telecast") and all ancillary programming related to the Nationals and the Orioles throughout the Television Territory through the medium of the RSN described in this Agreement.

- 2.B. TCR To Be Renamed: The Orioles agree that TCR will take appropriate steps to register the name Mid-Atlantic Sports Network ("MASN") as the d/b/a name of the RSN, or such other name as may be selected, as soon as practicable. TCR, however, will remain as the entity, for all legal purposes, through which the Orioles' and the Nationals' games will be telecast.
- 2.C. Radio Rights Excluded: For all purposes of this Agreement, all revenues and costs related to the radio broadcast of the Orioles' games by and through TCR shall be allocated specially to BOLP and shall not be taken into account as revenue, costs or valuation of the RSN for purposes of this Agreement but shall be imputed to the Orioles for Major League Baseball revenue sharing purposes. The RSN shall have no radio broadcast rights to the Nationals' games.
- 2.D. Sole And Exclusive Right To Telecast All Available Orioles' And Nationals' Games: TCR shall have the sole and exclusive right and the obligation to telecast, using commercially reasonable efforts, all Available Games of the Orioles and the Nationals and all ancillary programming related to the Orioles and the Nationals throughout the Television Territory through the medium of the RSN as described in this Agreement. The Nationals shall grant and license the right and the obligation to the telecast of their Available Games to the RSN. The Orioles shall grant and license the right and the obligation to the telecast of their Available Games to the RSN. The Nationals and the Orioles may not telecast any of their Available Games other than through the RSN nor in any television territory other than the geographically defined Television Territory referenced in this Agreement. The Nationals and TCR shall enter into a mutually acceptable rights agreement, incorporating the terms set forth in this Section and other customary terms and conditions, ordinarily included in a rights agreement, including, without limitation, the MLB Local Telecast Regulations Required Language for Local Telecast Agreements. Major League Baseball will not provide, allocate or otherwise assign to the Nationals any television territory independent, separate or distinct from the Television Territory served by the RSN and as described in Exhibit A. It is expressly understood and agreed, however, that for 2005 and 2006, certain of the Orioles' games are currently under contract to a third party cable distributor and those games are not available for telecast by the RSN until 2007. The telecast rights of those

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Orioles' games which are available in 2005 and 2006 for telecast and not contracted to a third party cable distributor shall be granted and licensed to the RSN for over-the-air telecasts, or as otherwise permitted as a reservation of rights in the Orioles' third party cable contract. In any given year, after consultation with the Nationals and the Orioles, TCR shall determine the number of Available Games of the Nationals and the Orioles that it shall telecast. TCR shall telecast as many of the Available Games of the Nationals and the Orioles as it determines is commercially reasonable in that year. Unless otherwise prevented by an event covered by the provisions of Subsection 11. J., as soon as the RSN is "fully operational" (anticipated to be in 2007), in each season thereafter, TCR shall telecast no less than 95 of each of the Nationals' and the Orioles' regular season Available Games. The grant of rights by the Nationals and the Orioles set forth in this Section shall be subject to the applicable Major League Baseball Local Telecast Regulations, and shall be deemed to include the "Required Language for Local Telecast Agreements" as set forth in such regulations. Notwithstanding the foregoing, it is agreed that the Television Territory to be served by the RSN on behalf of the Orioles and the Nationals is and shall be as defined in Subsection 2.F. The Orioles and the Nationals each shall have the right to approve the RSN's selection of the game announcers for their respective telecasts. Such approval may not unreasonably be withheld. Notwithstanding the preceding two sentences, the Nationals and the Orioles shall have the right to employ their game announcers at their expense, subject to the approval of the RSN, which shall not be unreasonably withheld. The RSN shall provide the Nationals and the Orioles with all reasonable and customary production values for the telecasts of their games.

- 2.E. Orioles And Nationals – Cooperation With Regional Sports Network: The Nationals and the Orioles shall cooperate with the RSN in the sale, promotion and distribution of their games for telecast by the RSN, including providing all customary promotional and marketing materials and tools necessary for the generation of revenue for the RSN.
- 2.F. Applicable Television Territory: The Television Territory to be served by the RSN, on behalf of the Orioles and the Nationals, is and shall be the Television Territory as reflected in Exhibit A, attached hereto and incorporated by reference herein. This Subsection shall be a material and essential element of this Agreement.
- 2.G. Rights Fees: The Nationals and the Orioles shall be paid an annual rights fee from the RSN. For the telecast of its games, the Nationals shall be paid its rights fees, commencing in 2005, as follows: **REDACTED** in 2005; **REDACTED** in 2006. During 2005 and 2006, only, for the telecast of its games on over-the-air television, or otherwise permitted as a reservation of rights in the Orioles' third party cable contract, the Orioles shall be paid a rights fee of up to **REDACTED** per game for each game telecast in 2005 and a rights fee of up to **REDACTED** per game for each game telecast in 2006.

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Subject to the foregoing, for 2005 and 2006 only, the amount of the Orioles' rights fees shall be agreed upon between TCR and the Orioles. Thereafter, and beginning in 2007, for the telecast of their games, the Orioles and the Nationals shall each be paid **REDACTED** per year for the next four successive years escalating at a non-compounded **REDACTED** rate. The Orioles and the Nationals will, therefore, be paid the following rights fees: in 2007, **REDACTED** each; in 2008, **REDACTED** each; in 2009, **REDACTED** each; in 2010, **REDACTED** each; in 2011, **REDACTED** each. To the extent that the Orioles and/or the Nationals do not actually play five or more regular season games that are scheduled for telecast by the RSN in any given year, the rights fee for that year shall be reduced by an amount equal to the product of (i) the rights fee payable multiplied by (ii) a fraction, the numerator of which is the number of regular season games not played and the denominator of which is the number of regular season games scheduled to be played.

2.H. Payment Of Rights Fees: Unless otherwise agreed to by the Nationals, the Orioles and TCR, for 2005, the applicable rights fee payment for the Orioles and the Nationals shall be made in four equal installments as follows: June 15, 2005; July 15, 2005; August 15, 2005 and September 15, 2005. Unless otherwise agreed to by the Nationals, the Orioles and TCR, for 2006, the applicable rights fee payment shall be made in four equal installments as follows: June 15, 2006; July 15, 2006; August 15, 2006 and September 15, 2006. Unless otherwise agreed to by the Nationals, the Orioles and TCR, in 2007 and thereafter, all rights fee payments shall be made in four equal installments in each year as follows: April 1; June 1; August 1 and September 1.

2.I. Future Rights Fees Determination: After 2011, and for each successive five year period, the Orioles, the Nationals and the RSN first shall negotiate in good faith using the most recent information available which is capable of verification to establish the fair market value of the telecast rights licensed to the RSN for the following five year period.

2.J. Rights Fees Dispute Resolution Mechanism: For any dispute regarding the determination of rights fees pursuant to Subsection 2.I., the dispute resolution mechanism shall be as follows:

2.J.1. Mandatory Negotiation Period: In the event that the Nationals and the RSN, or the Orioles and the RSN, are unable to agree on the fair market value of their respective rights within thirty (30) days or a mutually-agreed upon longer period of time (the "Negotiation Period"), the relevant parties shall follow the procedures set forth in this Subsection to establish the fair market value of the rights licensed to the RSN (the "Rights").

2.J.2. Mediation: In the event that the Nationals and RSN are unable to timely establish the fair market value of the Rights by negotiation as

set forth above, then the parties agree to enter into non-binding mediation. The mediation shall be held at a mutually agreeable place and shall be conducted under the auspices of the American Arbitration Association or JAMS.

- 2.J.3. Appeal: In the event that the Nationals and/or the Orioles and RSN are unable to timely establish the fair market value of the Rights by negotiation and/or mediation as set forth above, then the fair market value of the Rights shall be determined by the Revenue Sharing Definitions Committee ("RSDC") using the RSDC's established methodology for evaluating all other related party telecast agreements in the industry. The fair market value of the rights established pursuant to this Subsection for the relevant five year period, or such shorter time as may be agreed to by the parties, shall be final and binding on the Nationals and the RSN, and the Nationals and the RSN may seek to vacate or modify such fair market valuation as established by the RSDC only on the grounds of corruption, fraud or miscalculation of figures. Beginning in 2007, the Orioles and the Nationals shall be paid the same rights fees by the RSN.
- 2.J.4. The above-described dispute resolution mechanism shall be applied unless otherwise agreed to by the RSN and MLB on or before June 1, 2005.
- 2.K. Rights Fee Methodology: For all purposes of determining the amount of the appropriate rights fees payable to the Orioles and the Nationals, the entire Television Territory shall be analyzed and examined as if the Television Territory were a unified territory in all respects, that is, the same geographic territory, the same DMAs, the same number of households and treated as a single television market.
- 2.L. Distributions: Except as provided in Subsection P, below, distributions, if any, to be made from the RSN shall be made consistent with the parties' relative and then-applicable partnership profits interests in the RSN. For the sake of clarity, in no event shall any distributions be made to BOLP or to the limited partners of TCR as of the Effective Date unless pro rata distributions are simultaneously made to the Major League Baseball Partner (as defined below), or its assigns, in relation to its then-applicable partnership profits interest.
- 2.M. Major League Baseball To Assist Regional Sports Network: Major League Baseball agrees to promptly use its commercially reasonable best efforts as reasonably necessary to assist the RSN in obtaining access to all available telecast distribution for the Orioles' and Nationals' games, ancillary programming and other sports content throughout the entire Television Territory and to use its commercially reasonable best efforts to assist the RSN in any such negotiations.

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- 2.N. Equity Interest In Regional Sport Network: The Major League Baseball Partner (as defined below) shall initially receive a 10% partnership profits interest in TCR. Following the full completion of the fifth year of operation of the RSN, the Major League Baseball Partner, or its assignee, shall receive an annual increase of its partnership profits interest, one percentage point per year, until such time as the initial interest and the annual increases to its profits interests total 33% . The Major League Baseball Partner may assign, at its sole discretion, such profits interest, in whole or in part, to an affiliated entity. Such assignment is without regard to the right of first refusal provided in Subsection 2.Q.
- 2.O. Governance Of Regional Sports Network: BOLP, its successors or assigns, as managing partner of the RSN, shall have the full authority to manage and operate all of the business affairs of the RSN, to employ such personnel as it may deem necessary and do all other things as it may deem necessary to conduct the business of the RSN, as more fully set forth in the TCR Limited Liability Limited Partnership Agreement (as defined below). Notwithstanding the foregoing, the Major League Baseball Partner shall be provided with the customary rights accorded a limited partner including, **REDACTED**. Except as provided in Subsection 2.G. above (Rights Fees), TCR shall treat the Orioles' and Nationals' telecast rights on a substantially equal basis with respect to their operation, distribution and marketing.
- 2.P. Capital Structure Of TCR:
- 2.P.1. In consideration for the receipt of the equity interests in TCR, referred to in Subsection N above, the Major League Baseball Partner shall contribute **REDACTED** as its capital contribution to TCR, and BOLP shall contribute the Orioles' rights relating to its Television Territory as its capital contribution to TCR. At such time as the Major League Baseball Partner's capital contributions are made, it shall receive credit in its capital account for the amount of the payment. As a result of its capital contribution, BOLP shall receive a capital account credit of **REDACTED**. Any liquidation of TCR shall be made in accordance with capital accounts as required by Internal Revenue Code rules and regulations.
- 2.P.2. The Major League Baseball Partner's capital shall be contributed as follows: **REDACTED**.
- 2.P.3. TCR shall utilize the cash capital referred to in Subsection 2.P.1. above for such capital expenditures and operational costs as are necessary to conduct its operations.
- 2.P.4. The Agreement of Limited Liability Partnership of TCR ("TCR Partnership Agreement") shall be amended to remove any conflict between the TCR Partnership Agreement and this Agreement, and in such other respects as shall be agreed to by the parties, including, without

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limitation, that Major League Baseball or an affiliated entity, such as the Nationals (the "Major League Baseball Partner" or the "MLB Partner") shall be included, as appropriate, as a limited partner in accordance with the terms set forth herein.

- 2.Q. Transfer Of Equity To Third Party: BOLP and the limited partners of TCR shall be provided a right of first refusal over sales or transfers of any equity in TCR by the MLB Partner, except for **REDACTED**.
- 2.R. Remedies For Non-Payment; Insolvency: In the event that the RSN does not pay either the Orioles or the Nationals the rights fees contemplated herein in a timely fashion, then:
- 2.R.1. The RSN shall have a right to cure such non-payment within a reasonable period of time after written notice of the non-payment from either the Nationals or the Orioles, as the case may be. Such time shall not exceed 30 days.
- 2.R.2. If payment is not made within the applicable cure period, then the Orioles and/or the Nationals, as appropriate, shall have a right to seek money damages or avail themselves of any other appropriate remedies that may be available for such non-payment, including without limitation, termination of the license to their respective telecast rights granted herein; provided, that they will not terminate such licenses until thirty days after the expiration of the cure period set forth in Subsection 2.R.1 above. Such termination shall take effect upon receipt by the RSN of a written notice of termination (the "Notice of Termination").
- 2.R.3. In addition, the Nationals and the Orioles may, in their respective discretion, terminate the license to their telecast rights licensed herein upon notice in writing to the RSN, if (i) the RSN becomes insolvent; (ii) a petition under any bankruptcy act is filed by or against the RSN (which petition shall not have been dismissed within 30 days of the initial filing); (iii) any receiver, trustee or liquidator is appointed for all or a substantial part of the assets of the RSN (which appointment shall not have been dismissed within 30 days of such appointment); or (iv) the RSN takes advantage of any applicable insolvency or like statute.
- 2.R.4. Notwithstanding any other provision of this Agreement, upon receipt of the Notice of Termination or at any time thereafter, the RSN has the right to and may seek any and all immediate legal or equitable relief and remedies from such termination available in any court of law with jurisdiction, including, without limitation, the right to seek injunctive relief or specific performance. In the instance in which there are no other material defaults of this Agreement, other than the delinquent payment of rights fees, and the Nationals or the Orioles, as applicable, have not been materially prejudiced by the delinquent payment, payment of the

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delinquent rights fees plus interest at any time prior to the final determination of a court of original jurisdiction pursuant to this Subsection shall constitute a cure of such default, and the termination, if any, shall be void and of no effect. Multiple violations of the failure to pay rights fees shall be considered a rebuttable presumption of material prejudice.

Section 3. Tax Treatment **REDACTED**

Section 4. Debt Service Rule **REDACTED**

Section 5. Scheduling Of Home Games

Major League Baseball shall treat the Orioles and the Nationals as a single market for scheduling protocol and allow no more than 15 overlapping and conflicting home games during any baseball season unless otherwise agreed to by Major League Baseball, the Nationals and the Orioles, subject to exigent circumstances. Major League Baseball will endeavor to keep the number of overlapping and conflicting home games during any season to less than 10.

Section 6. No League Transfer **REDACTED**

Section 7. Representations And Warranties; Further Assurances

The Commissioner of Baseball, Major League Baseball, the Nationals, BOLP, the Orioles and TCR represent and warrant, each on their own behalf, and each to each other, that they are authorized and empowered to enter into this Agreement. Further, Major League Baseball represents and warrants that all relevant terms, conditions and obligations of this Agreement shall be made known to any purchaser(s) of the Nationals now, and in the future, and that the assumption of the Nationals' obligations under this Agreement shall be made a binding condition of the purchase of the Nationals' franchise. The Nationals and Major League Baseball represent and warrant that they shall take such other steps as reasonably may be necessary to bind any subsequent purchaser(s) of the Nationals to the terms and conditions set forth in this Agreement. The Commissioner of Baseball, Major League Baseball, the Nationals, BOLP, the Orioles and TCR shall take all necessary actions to effectuate and enforce this Agreement. Further, Major League Baseball, the Nationals, BOLP, the Orioles and TCR represent and warrant, each on their own behalf, and each to each other, that prior to the execution of this Agreement, neither the terms of this Agreement, nor the execution of this Agreement by it, nor the performance of its obligations hereunder conflicts with any contract, agreement, undertaking or understanding to which it is a party.

Section 8. Dispute Resolution **REDACTED**

Section 9. Remedies For Breach

- 9.A. It is expressly understood and agreed that any and all remedies in law or in equity including, without limitation, any claims for damages for breach of this Agreement, and/or specific performance and injunctive relief, shall be available to Major League Baseball, the Nationals, the Orioles, BOLP and/or TCR to enforce the terms and conditions of this Agreement in such

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arbitration or other proceedings and that the arbitrators therein are specifically empowered to grant injunctive relief.

- 9.B. No Third-Party Beneficiary Rights. The rights, duties and obligations set forth in this Agreement are specific to those named parties to this Agreement and their permitted successors and assigns. The parties hereby disclaim any intent to benefit third-parties and specifically agree that there shall be no third-party beneficiaries of this Agreement.

Section 10. Effective Immediately

This Agreement shall take effect immediately upon execution by the parties.

Section 11. Miscellaneous

- 11.A. Governing Law: The terms of this Agreement shall be governed by and construed in accordance with the laws of the State of Maryland, without regard to its conflict of laws principles.
- 11.B. Entire Agreement: This Agreement, and the terms contained herein, constitute the entire agreement between the parties with respect to the subject matters herein and supersede all other oral and written understandings or agreements relating to the subject matters contained herein.
- 11.C. Assignment: This Agreement and the terms contained herein irrevocably are binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns. No party shall sell, convey, assign or otherwise transfer this Agreement or its equity interest in the RSN without the prior written consent and approval of BOLP, its successors or assigns, and the RSN; provided that in the event that either the Orioles, the Nationals or the RSN are sold, conveyed, assigned or in any other way transferred, in whole or in part, all subsequent purchaser(s), assignees or transferees shall be unconditionally bound to all terms and conditions of this Agreement.
- 11.D. Headings/Plural: The section headings in this Agreement have been included for mere convenience of reference, and shall not be considered substantive parts of this Agreement in resolving any question or interpretation or construction. As circumstances may require, the singular shall include the plural and vice versa.
- 11.E. No Waiver: The failure of any party to object to, or to take affirmative action with respect to, any conduct of another party that violates any term or condition of this Agreement shall be limited to that particular instance, and shall not be construed as a waiver of that party's rights for such breach or as a waiver of such remedies for future breaches by the other party(ies).
- 11.F. Voluntary Agreement/No Presumption: The parties hereto represent that they have carefully read the Agreement, understood its terms, consulted with

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an attorney of their choice, and voluntarily signed the same as their own free act with the intent to be legally bound thereby. The terms of this Agreement are contractual and not a mere recital. The parties hereby acknowledge that no provision of this Agreement shall be construed against a party solely because that party (or that party's counsel) drafted such provision.

- 11.G. Notices: All notices, including notices of address changes, required or permitted, to be given by either party under this Agreement shall be sent by registered or certified mail or by reputable overnight commercial delivery to the address specified herein by each party and shall be deemed given three (3) days after the date of mailing in the event of registered or certified mail, and one (1) day after said notice is provided to the delivery service in the event of overnight delivery.
- 11.H. Survival: All terms and provisions of this Agreement, which should by their nature survive the termination or expiration of this Agreement shall so survive. The relationships established by this Agreement between the Orioles, TCR, the Nationals and, as the case may be, Major League Baseball, including the RSN or such other regional sports network or entity that may be formed, shall survive the expiration of any telecast rights agreement or any future documents or agreements related to the regional sports network and each of BOLP, its successors or assigns, TCR, the Nationals and Major League Baseball shall remain bound to the terms and conditions of this Agreement at all times.
- 11.I. Release **REDACTED**
- 11.J. Force Majeure: Neither party shall be liable for any delays or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence or act of terrorism, or any law, order or requirement of any governmental agency or authority, except and to the extent the party has acquired insurance to cover such risk. A separate force majeure provision shall be contained in the rights agreements contemplated in this Agreement.
- 11.K. Severability: If any term, provision, covenant or condition of this Agreement, or any application thereof shall be held by a court of competent jurisdiction, or by the final decision of an arbitration panel as provided herein, to be invalid, void or unenforceable, such invalidity, unenforceability or illegality shall not affect any other provision of this Agreement, and this Agreement shall be construed, as if such invalid, unenforceable or illegal provision had never been contained in this Agreement, but only to the extent of its invalidity, unenforceability or illegality.
- 11.L. No Admission of Liability. The parties acknowledge that neither this Agreement, nor any statement made, nor any event occurring during negotiations of this Agreement by the parties or their respective attorneys and

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representatives, is considered to be an admission of liability for any disputed claim resolved herein or otherwise. It is further acknowledged and agreed that neither this Agreement, nor any statement made, nor any event occurring during negotiations of this Agreement by the parties or their respective attorneys and representatives, may be used by the parties as precedent for any other claim that any party may have in the future.

- 11.M. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together, shall be considered one and the same agreement.

IT WITNESS WHEREOF, the parties have signed and sealed this Agreement as of the day and year first above written.

[THIS SPACE LEFT INTENTIONALLY BLANK]

REDACTED VERSION

AGREED AND ACCEPTED:

THE BALTIMORE ORIOLES BASEBALL CLUB

By: Baltimore Orioles Limited Partnership

By: Baltimore Orioles, Inc.

Its: General Partner

_____/s/_____(SEAL)
By: Peter G. Angelos
Its: President, Baltimore Orioles, Inc.

BALTIMORE ORIOLES LIMITED PARTNERSHIP

By: Baltimore Orioles, Inc.

Its: General Partner

_____/s/_____(SEAL)
By: Peter G. Angelos
Its: President, Baltimore Orioles, Inc.

TCR SPORTS BROADCASTING HOLDING, L.L.P.

_____/s/_____(SEAL)
By: Peter G. Angelos
Its: President, Baltimore Orioles, Inc.

OFFICE OF THE COMMISSIONER OF BASEBALL

[as agent for the Clubs]

_____/s/_____(SEAL)
By: Allan H. (Bud) Selig
Its: Commissioner

[THIS SPACE LEFT INTENTIONALLY BLANK]

REDACTED VERSION

For the purposes of the provisions in the Agreement relating to the determination of the
Television Territory
MAJOR LEAGUE EXECUTIVE COUNCIL

_____/s/_____(SEAL)
By: Allan H. (Bud) Selig
Its: Chairman

BASEBALL EXPOS, L.P.
d/b/a THE WASHINGTON NATIONALS BASEBALL CLUB
By Baseball Expos GP, Inc., its General Partner

_____/s/_____(SEAL)
By:
Its:

Attachment: EXHIBIT A

EXHIBIT A

**BALTIMORE ORIOLES
TELEVISION HOME TERRITORY**

State of Maryland

Washington, D.C.

State of Virginia

State of Delaware

West Virginia counties:

Grant	Morgan
Hardy	Berkeley
Mineral	Jefferson
Hampshire	

York/Harrisburg/Lancaster Pennsylvania ADI counties:

Adams	Lebanon
Cumberland	Berkeley
Mineral	Jefferson
Hampshire	Mifflin
Dauphin	Perry
Juniata	York
Lancaster	

Eastern North Carolina including Winston-Salem, Greensboro and Charlotte

7/27/81

11/22/82

9/24/97

EXHIBIT 2

KELLOGG, HUBER, HANSEN, TODD, EVANS & FIGEL, P.L.L.C.

SUMNER SQUARE
1615 M STREET, N.W.
SUITE 400
WASHINGTON, D.C. 20036-3209

(202) 326-7900
FACSIMILE:
(202) 326-7999

May 27, 2005

Mr. Brian L. Roberts
Chairman & CEO
Comcast Corporation
1500 Market Street
Philadelphia, PA 19102-2148

Dear Mr. Roberts,

This firm represents TCR Sports Broadcasting Holding, L.L.P. ("TCR"), which does business as the Mid-Atlantic Sports Network ("MASN") and produces Washington Nationals baseball games for television. TCR has twice offered to Comcast a nonexclusive contract to distribute Nationals games on terms identical to those offered to other cable and satellite television distributors. Comcast has, by far, the largest distribution network of any cable or satellite company in the Washington, D.C., metropolitan area.

In public statements, Comcast has said that it will not even discuss distributing Nationals games until a lawsuit filed by its subsidiary regional sports network, Comcast SportsNet, is resolved in Maryland state court. That lawsuit, however, has nothing whatsoever to do with the televising of Nationals games. The lawsuit concerns the television rights to Orioles games beginning in 2007. The Nationals are not a party to that contract and the Nationals' games are not subject to it.

TCR urges Comcast to begin carrying Nationals games immediately. If need be, the financial terms of that distribution can be decided in due course by an independent arbitrator. The important thing is that Washington Nationals' fans not be held hostage to Comcast's efforts to protect Comcast SportsNet, which directly competed with MASN for the video programming rights to Nationals games. Given Comcast's past expressed interest in televising Nationals' games through its subsidiary Comcast SportsNet – which it made in numerous offers to Major League Baseball before TCR obtained the rights to Nationals games – its refusal now to distribute games produced by MASN is in direct violation of 47 C.F.R. § 76.1301(c), which prohibits discrimination in favor of an affiliated programming vendor. Moreover, since last year, Comcast has attempted to use its dominant market position to extract a financial interest in TCR as a condition of carrying Nationals games. We understand that, in numerous meetings, Comcast officials have made it abundantly clear that Comcast would not carry Nationals games unless Comcast were given a significant equity position in the network that produces those games. Comcast's attempts to obtain a financial interest as a condition of carriage violate 47 C.F.R. § 76.1301(a).

If within ten days Comcast has not begun distributing Nationals games, TCR will file a complaint with the Federal Communications Commission. This letter constitutes the notice required by 47 C.F.R. § 76.1302(a) and (b).

Sincerely,



Michael K. Kellogg
Counsel for TCR

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO	4614
CONNECTION TEL	9510532312159817790#
SUBADDRESS	
CONNECTION ID	
ST. TIME	05/27 14:50
USAGE T	00'43
PGS. SENT	2
RESULT	OK

FAXED**KELLOGG, HUBER, HANSEN, TODD, EVANS & FIGEL, P.L.L.C.**

1615 M Street, NW
Suite 400
Washington, DC 20036
Main: (202) 326-7900
Facsimile: (202) 326-7999

FACSIMILE TRANSMISSION

TO: Brian Roberts

FAX: (215) 981-7790

FROM: David C. Frederick

PHONE: (202) 326-7951

CLIENT NO.: 05323

DATE: May 27, 2005

MESSAGE:

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1615 M STREET, N.W.
SUITE 400
WASHINGTON, D.C. 20036-3209

(202) 326-7900

FACSIMILE:

(202) 326-7999

May 27, 2005

Mr. Stephen B. Burke
Chief Operating Officer
Comcast Corporation
1500 Market Street
Philadelphia, PA 19102-2148

Dear Mr. Burke,

I am enclosing a copy of a letter sent this afternoon to Mr. Brian Roberts on behalf of TCR Sports Broadcasting Holding, L.L.P.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Kellogg", written in a cursive style.

Michael K. Kellogg
Counsel for TCR

KELLOGG, HUBER, HANSEN, TODD, EVANS & FIGEL, P.L.L.C.

SUMNER SQUARE
1615 M STREET, N.W.
SUITE 400
WASHINGTON, D.C. 20036-3209

(202) 326-7900

FACSIMILE:

(202) 326-7999

May 27, 2005

Mr. Brian L. Roberts
Chairman & CEO
Comcast Corporation
1500 Market Street
Philadelphia, PA 19102-2148

Dear Mr. Roberts,

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Sincerely,



Michael K. Kellogg
Counsel for TCR

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 4612
CONNECTION TEL 9510532312159817790#
SUBADDRESS
CONNECTION ID
ST. TIME 05/27 14:34
USAGE T 00'51
PGS. SENT 3
RESULT OK

FAXED

KELLOGG, HUBER, HANSEN, TODD, EVANS & FIGEL, P.L.L.C.

1615 M Street, NW
Suite 400
Washington, DC 20036
Main: (202) 326-7900
Facsimile: (202) 326-7999

FACSIMILE TRANSMISSION

TO: Stephen Burke

FAX: (215) 981-7790

FROM: David C. Frederick

PHONE: (202) 326-7951

CLIENT NO.: 05323

DATE: May 27, 2005

MESSAGE:

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Scheduled Date of Delivery 5/27/05	Month Day 5 27	Return Receipt Fee \$	
Scheduled Time of Delivery <input type="checkbox"/> Noon <input checked="" type="checkbox"/> 3 PM	Month Day 5 27	COO Fee \$	Insurance Fee \$
Time Accepted 1:00 <input type="checkbox"/> AM <input checked="" type="checkbox"/> PM	Military <input type="checkbox"/> 2nd Day <input type="checkbox"/> 3rd Day	Total Postage & Fees \$ 13.65	
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Mo. Day			
Delivery Attempt	Time	<input type="checkbox"/> AM <input type="checkbox"/> PM	Employee Signature
Mo. Day			

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FROM: (PLEASE PRINT)
M. Jeronimo
LAW OFFICE OF KELLOGG & HUBER
1615 M ST NW STE 300
WASHINGTON DC 20036-3209

TO: (PLEASE PRINT)
Mr. Brian L. Roberts
Chairman & CEO
Comcast Corporation
1500 Market Street
Philadelphia, PA 19102-2148

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Scheduled Date of Delivery 5/27/05	Month Day 5 27	Return Receipt Fee \$	
Scheduled Time of Delivery <input type="checkbox"/> Noon <input checked="" type="checkbox"/> 3 PM	Month Day 5 27	COO Fee \$	Insurance Fee \$
Time Accepted 1:00 <input type="checkbox"/> AM <input checked="" type="checkbox"/> PM	Military <input type="checkbox"/> 2nd Day <input type="checkbox"/> 3rd Day	Total Postage & Fees \$ 13.65	
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Mo. Day			
Delivery Attempt	Time	<input type="checkbox"/> AM <input type="checkbox"/> PM	Employee Signature
Mo. Day			
Delivery Attempt	Time	<input type="checkbox"/> AM <input type="checkbox"/> PM	Employee Signature
Mo. Day			

STANDARD OF PAYMENT:
Direct Mail Corporate Acct. No.

Federal Agency Acct. No. or
Postal Service Acct. No.

FROM: (PLEASE PRINT)
M. Jeronimo
LAW OFFICE OF KELLOGG & HUBER
1615 M ST NW STE 300
WASHINGTON DC 20036-3209

TO: (PLEASE PRINT)
Mr. Stephen D. Burke
Chief Operating Officer
Comcast Corporation
1500 Market Street
Philadelphia, PA 19102-2148

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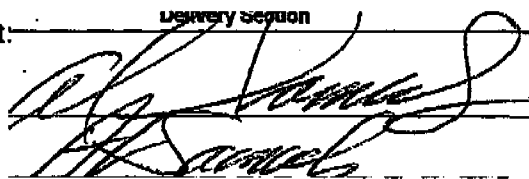
Date: 06/03/2005

Fax Transmission To: Postal Customer
Fax Number: 202-326-7999

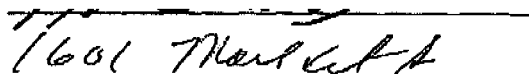
Dear: Postal Customer:

The following is in response to your 06/03/2005 request for delivery information on your Express Mail item number EV66 7655 125U S. The delivery record shows that this item was delivered on 05/31/2005 at 06:04 AM in PHILADELPHIA, PA 19103 to J PIERCE. The scanned image of the recipient information is provided below.

Signature of Recipient:

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Address of Recipient:



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Sincerely

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Date: 06/03/2005

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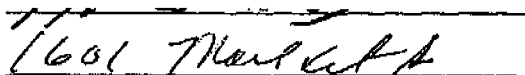
Dear: Postal Customer:

The following is in response to your 06/03/2005 request for delivery information on your Express Mail item number EV66 7655 134U S. The delivery record shows that this item was delivered on 05/31/2005 at 06:04 AM in PHILADELPHIA, PA 19103 to J PIERCE. The scanned image of the recipient information is provided below.

Signature of Recipient:

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Address of Recipient:



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Sincerely

United States Postal Service

EXHIBIT 3

LAW OFFICES
WILLIAMS & CONNOLLY LLP

725 TWELFTH STREET, N.W.

WASHINGTON, D. C. 20005-5901

JOHN E. SCHMIDTLEIN

(202) 434-5901

jschmidt@wc.com

(202) 434-5000

FAX (202) 434-5029

EDWARD BENNETT WILLIAMS (1920-1988)
PAUL R. CONNOLLY (1922-1976)

June 3, 2005

BY FACSIMILE AND FIRST CLASS MAIL

Michael K. Kellogg, Esq.

Kellogg, Huber, Hansen, Todd, Evans & Figel, P.L.L.C.

1615 M Street, N.W.

Suite 400

Washington, D.C. 20036-3209

Dear Mr. Kellogg:

As counsel for Comcast Corporation ("Comcast"), I write to respond to your letter dated May 27, 2005 to Mr. Brian L. Roberts, Chairman and Chief Executive Officer of Comcast. The allegations in your letter are absolutely unfounded and without factual or legal basis.

First, despite your efforts to characterize the interests of Mid-Atlantic Sports Network ("MASN") as involving solely the production of Washington Nationals baseball games, the plain facts are that (1) MASN was created as a result of improper threats by the Baltimore Orioles and for the explicit purpose of acquiring and combining the television rights of Washington Nationals and Baltimore Orioles games, and (2) MASN has never offered Comcast a contract to distribute only Washington Nationals games. Moreover, Comcast never has stated that "it will not even discuss distributing Nationals games" until litigation regarding the rights to future Orioles games is resolved. Consistent with every public statement made by MASN and its owners, MASN has offered to Comcast long-term carriage contracts that include the rights to future Baltimore Orioles games, notwithstanding that MASN's rights to these games were acquired in violation of the Orioles' existing contract with Comcast SportsNet Mid-Atlantic. At no time has MASN, which is reportedly 90% owned by the Baltimore Orioles, informed Comcast that it intends to operate a regional sports network with only the Washington Nationals baseball television rights.

Under these circumstances, your accusation that Comcast is holding Washington Nationals' fans "hostage" and violating 47 C.F.R. § 76.1301(c) by failing to agree to MASN's onerous terms could not be further from the truth. The Baltimore Orioles and Major League Baseball created MASN by trampling Comcast SportsNet's contractual rights, and the Washington Nationals, their future owners and their fans will be the losers as a result of the

WILLIAMS & CONNOLLY LLP
Michael K. Kellogg, Esq.
June 3, 2005
Page 2

coercive and unprecedented licensing of the Nationals' television rights to a network that is majority owned and controlled by the Nationals' most significant economic competitor. Your suggestion that MASN fairly "competed" with Comcast SportsNet Mid-Atlantic ("CSN") to acquire the rights to the Nationals is belied by the fact that CSN was prepared to pay the Nationals a larger licensing fee than that reportedly paid by MASN, and that absent the Orioles' improper campaign to block baseball from returning to Washington, D.C., Major League Baseball never would have agreed to the one-sided deal creating MASN in the first place. On these facts, there is no basis to assert that Comcast has unreasonably restrained the ability of MASN to compete fairly by discriminating on the basis of the non-affiliation of MASN in violation of 47 C.F.R. § 76.1301(c).

Second, your "understand[ing]" that "Comcast officials have taken the position that Comcast would not carry Nationals games unless Comcast were given a significant equity interest in the network that produces those games" is mistaken. Comcast has never adopted such a posture, and Comcast has never sought to extract a financial interest in MASN. And so that there is no misunderstanding, Comcast has no interest in owning any part of MASN. Given these facts, there is no basis to assert that Comcast has violated 47 C.F.R. § 76.1301(a).

Comcast understands and abides by all applicable provisions of the Communications Act and the FCC's rules. Its posture in all negotiations regarding the Nationals' television rights and carriage of MASN has been and will continue to be in good faith, in conformance with the standards common to a competitive marketplace, and governed by an unwavering commitment to serve our customers' interests.

I am sure that you are aware that the filing of frivolous or unsupported pleadings with the Federal Communications Commission is subject to sanction. Comcast will vigorously contest any complaint filed by your client with the Commission and will seek all redress afforded by Commission rules and regulations in connection with any such complaint. In the future, address any communications regarding this matter to me and not Mr. Roberts.

Sincerely,

A handwritten signature in black ink, appearing to read "John E. Schmidlein", is written over the typed name.

John E. Schmidlein

LAW OFFICES
WILLIAMS & CONNOLLY LLP

725 TWELFTH STREET, N.W.

WASHINGTON, D. C. 20005-5901

(202) 434-5000

FAX (202) 434-5029

JOHN E. SCHMIDTLEIN
(202) 434-5901
jschmidt@wc.com

EDWARD BENNETT WILLIAMS (1920-1988)
PAUL R. CONNOLLY (1923-1978)

TELECOPY

TO: Michael K. Kellogg, Esq.
FIRM OR COMPANY: Kellogg, Huber, Hansen, Todd, Evans
& Figel, P.L.L.C.
TELECOPY NUMBER: (202) 326-7999

FROM: John E. Schmidtlein
TELEPHONE: 202-434-5901
DATE: June 3, 2005
MATTER NUMBER: 43715.0001

NUMBER OF PAGES INCLUDING THIS PAGE: 3

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Williams & Connolly LLP Telecopy Number: (202) 434-5029

EXHIBIT 4

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the Matter of)	
)	
TCR Sports Broadcasting Holding, L.L.P.,)	
)	
Complainant,)	
)	
v.)	File No. _____
)	
Comcast Corporation,)	
)	
Defendant.)	
)	

**DECLARATION OF JOSEPH E. FOSS IN SUPPORT OF THE CARRIAGE
AGREEMENT COMPLAINT OF TCR SPORTS BROADCASTING HOLDING,
L.L.P.**

1. My name is Joseph E. Foss. I am over the age of 21 years and have personal knowledge of the facts contained herein.

2. I became Vice Chairman of Baltimore Orioles Limited Partnership ("BOLP") in 1993 and have been employed by the club in that capacity ever since. I currently have responsibility for all of the club's day-to-day operations. These include business, financial, and administrative operations, as well as working with the Baseball Operations Department on budget and player contracts. Additional responsibilities of mine include keeping Orioles investors in BOLP apprised of events, attending Major League Baseball owners' meetings, and participating in several Major League Baseball committees. I also spend a considerable amount of time managing TCR Sports Broadcasting Holding,

L.L.P., whose limited partners are BOLP and Baltimore Orioles Inc. I have general knowledge of the agreement between TCR and Home Team Sports and was involved in implementing that agreement. I was personally involved in negotiations with Comcast and others regarding television rights to Orioles games from 2001 to the present. I was also involved in the negotiations between the Orioles and Major League Baseball regarding the relocation of the Montreal Expos to Washington, D.C., and in the discussions between TCR and cable distributors for the distribution of Washington Nationals games. I have been directly involved in the development of budgets and forecasts, interviewing and hiring personnel, and the negotiation of carriage agreements.

3. To the best of my knowledge and belief, Comcast Corporation ("Comcast") is a Pennsylvania corporation with its principal place of business at 1500 Market Street, Philadelphia, PA 19102-2148. Comcast is a "cable operator" with an extensive network in the Washington, D.C. metropolitan area. Comcast is the parent of Comcast SportsNet Mid-Atlantic L.P. ("CSN"), a Delaware limited liability partnership with its principal place of business in Bethesda, Maryland. CSN, which is one of a number of regional sports networks that Comcast owns or controls, produces video programming for sale.

4. In 1996, TCR entered into a 10-year agreement with an entity known as the Mid-Atlantic Sports Network, LLC (similar to the name now used by TCR but not the same entity) regarding a license for the production and exhibition rights to certain Orioles games on cable television. The original parties to the 1996 agreement were Mid-Atlantic Sports Network, LLC, the Baltimore Orioles Limited Partnership ("BOLP") (as guarantor), TCR, and Fox, Inc. (as guarantor). Under this agreement, the professional

sports teams were to license certain of their pay television rights to the Mid-Atlantic Sports Network, LLC.

5. However, Home Team Sports had a right to match certain third party offers the Orioles might receive concerning their rights to produce and exhibit games on pay television pursuant to an earlier agreement with the Orioles. Home Team Sports offered to match, and BOLP and TCR acknowledged and accepted that offer. Thus, in 1996, the Orioles entered into a 10-year license agreement with Home Team Sports. Home Team Sports also had a four-year license agreement with the Orioles to produce and exhibit over-the-air games. That deal expired in 2000. *See* Exh. 30 (Telecast Rights Agreement dated as of December 6, 1996 by and between TCR Sports Broadcasting Holding, L.L.P. and Home Team Sports Limited Partnership).¹

6. Home Team Sports was subsequently acquired by Comcast Corp., and after operating as Home Team Sports for a period of time, later became known as Comcast SportsNet (CSN). For purposes of this affidavit, I will refer to both Home Team Sports and CSN during this period as CSN.

7. In early 2001, after the HTS acquisition, Comcast officials approached the Orioles with an offer to extend the Letter Agreement for an additional term of years so as to create a new 10-year agreement. Comcast officials indicated that CSN was not interested in producing and exhibiting the Orioles' over-the-air games. Rather, CSN represented that its real interest was in negotiating an extension of the pay television Letter Agreement and obtaining the exclusive pay television rights to all Orioles games.

¹ All exhibit numbers refer to exhibits appended to the Complaint.

Negotiations for the extension of the Letter Agreement began in January 2001. As an accommodation to the ongoing negotiations for such extension and because CSN recognized that the MLB season began in April of 2001, it agreed to produce and exhibit the Orioles' over-the-air games for that year while pay television negotiations continued. However, CSN would only agree to pay a rights fee that was far less than the amount specified by the prior contract for the rights to those games.

8. The Orioles' and TCR's exclusive negotiations with CSN continued, sometimes intensely and sometimes sporadically, for a period in excess of 18 months. Those negotiations involved the exchange of proposals and counterproposals, verbally and in writing, as well as various meetings and telephone conferences between the parties. Ultimately the two parties were unable to reach an agreement. Among other reasons, CSN's offers were substantially below the estimates that the Orioles received from their media consultants for what those rights were worth.

9. As the negotiations came to a conclusion, the Orioles came to believe that it, through TCR, could produce and exhibit Orioles games in a manner that would be more economically favorable to TCR and BOLP, with production values more consistent with the desires of Orioles investors, and business opportunities more beneficial to BOLP. Thus, in 2002, the Orioles, through TCR, launched a regional sports network which produced and exhibited approximately 65 over-the-air television games per season within the Orioles' Television Territory. The Orioles' Television Territory ("television home territory") means the Orioles have exclusive television rights to telecast MLB games in the following: the States of Maryland, Virginia, and Delaware, the District of Columbia, seven counties in West Virginia, thirteen counties in central Pennsylvania, and parts of

eastern North Carolina including Winston-Salem, Greensboro, and Charlotte. *See* Exh. 1 (March 28 Settlement Agreement, Exh. A). As the holder of those rights, the Orioles have the right to reserve for their use or license others to use the rights to content of baseball games in the Orioles' Home Television Territory except insofar as MLB has reserved those rights. In this regard, in 2002, the Orioles hired two senior managers with substantial experience in regional sports networks: John Claiborne and Robert Whitelaw. Both had been senior executives at New England Sports Network (NESN), owned in part by the Boston Red Sox. The Orioles' regional sports network directly competed with CSN in the production and exhibition of baseball games, other sports programming, and for advertising, sponsorships, and viewers.

10. In the summer of 2004, Peter Angelos and I attended a meeting with the president of MLB, Bob DuPuy, and others at the Washington, D.C. offices of Baker Hostetler. Steve Greenberg of Allen & Company attended the meeting as well. At this time, MLB continued to insist to the Orioles that it was not planning to relocate the Expos to Washington. Nevertheless, Greenberg presented MLB and the Orioles with a model of a regional sports network that would televise the games of two baseball teams within the Orioles' exclusive Television Territory. *See* "Project Extradition: Hypothetical Financial Model" presentation, attached as Exh. 31.

11. After that initial meeting, I had subsequent discussions with Greenberg. Greenberg told me that the only way we would get carriage by Comcast would be to allow Comcast to have an equity interest in the regional sports network Comcast contemplated forming. He said the most likely solution was a four-sport network, with CSN contributing its rights to Wizards and Capitals games. Greenberg represented

himself as working for MLB and with the relocation process. We were concerned, however, because Greenberg's representations about a four-team network included financial information about Wizards' and Capitals' rights that appeared to be internal Comcast information. Greenberg also had a deep familiarity with Comcast personnel below the senior executive level, which suggested to us that he had worked closely with Comcast. Greenberg appeared to the Orioles to be representing the interests of Comcast, as well as those of MLB. I and other Orioles executives inferred that, when Greenberg expressed Comcast's demand for an equity interest, he had knowledge of Comcast's position directly from Comcast.

12. On September 16, 2004, the Orioles learned that Major League Baseball was relocating the Montreal Expos to Washington, D.C., despite MLB's repeated prior assurances to the contrary. On September 23, Peter Angelos and I flew to Milwaukee for a meeting of the MLB Executive Council and Relocation Committee. Angelos is a member of the Council, and I was invited to the meeting to hear the presentation of the Relocation Committee.

13. Steve Greenberg of Allen & Company was present at the meeting and provided the Council with a six-page document titled "Major League Baseball Executive Council: Discussion Materials," attached as Exh. 18. Page 5 of that document described a possible structure for a four-team network that would include both Orioles and Nationals games and would be carried by Comcast. Greenberg stated that Comcast would demand an ownership interest. The bottom of page 5 showed the value created for Major League Baseball entities as a function of the percentage of the network that Comcast owned. The options presented were that Comcast would own 50% of the network, 60% of the

network, or 67% of the Comcast-proposed network. The economic value to MLB entities declined as Comcast's ownership percentage increased.

14. At the meeting, Greenberg stated that the "Orioles would be lucky" if Comcast agreed to accept as little as a 50% equity interest in the new Comcast-proposed regional sports network. Indeed, 50% was the smallest possible Comcast interest reflected in Greenberg's models. Greenberg stated that, because Comcast possessed infrastructure and an existing sports network, it would expect to be the dominant equity partner in the Comcast-proposed sports network, even though the Orioles and Nationals would contribute the bulk of the programming.

15. From September 2004 through March 2005, the Orioles did not negotiate directly with Comcast. I and the Orioles understood that Greenberg had spoken extensively with Comcast, and that he was expressing Comcast's position when he stated that Comcast would accept nothing less than a 50% equity interest, meaning that Comcast had to receive at least 50% of the Comcast-proposed network's profits after the teams were paid rights fees. Based on the inside information that Greenberg possessed, we inferred that Greenberg had direct knowledge of Comcast's position from his communications with Comcast. Greenberg never indicated that a demand for an equity interest by Comcast in exchange for carriage would violate federal law.

16. In a later conference call with Russell Smouse and me on or about January 21, 2005, Greenberg again insisted on an equity position for Comcast in the Comcast-proposed RSN. He said that Comcast had a 30% interest in the Chicago regional sports network and that the combination of Comcast and Time Warner would have a 35%

interest in the New York Mets' regional sports network. Smouse asked why Comcast was demanding a 50% equity interest from TCR, but Greenberg never gave a satisfactory answer. Greenberg continued to state that Comcast required at least a 50% equity interest despite the Orioles' representations that they were not interested in having Comcast as an equity partner in a regional sports network. I and other Orioles representatives also told Greenberg that, even if Comcast were to own part of the network, it would certainly be less than 50%, as TCR was contributing the bulk of the programming.

17. The plan for TCR to build upon the foundation of the regional sports network already established was a critical component of the Orioles' negotiations with MLB regarding the relocation of the Expos to Washington. As a material element of the Settlement Agreement with MLB and the Nationals, and as compensation for the harm caused by the relocation of the Expos to Washington, within the Orioles' Television Territory, the Orioles' RSN was licensed and granted the exclusive rights to telecast Nationals baseball games within the Television Territory.

18. Comcast has previously managed to extract equity interests in regional sports networks in return for its management of those networks. It is my understanding that, in Chicago, Comcast owned 25 to 30% of the regional sports network and that Steve Greenberg negotiated the Chicago deal. Similarly, in New York, it is my understanding that Greenberg put together a deal for a regional sports network in which Comcast, Time Warner, and the Mets have equity interests. The Orioles and MLB, however, saw no reason to give Comcast an equity interest in TCR. I and other Orioles executives believed that it was preferable to hire an experienced management team instead of giving Comcast an ownership interest in exchange for its management services.

19. On April 14, 2005, TCR (now doing business as MASN) presented Comcast with a proposal for carriage of Nationals games in 2005 and 2006, and Orioles games beginning in the 2007 season. *See* Mid-Atlantic Sports Network Affiliate Term Sheet for Comcast with Cover E-mail dated Apr. 13, 2005 from D. Gluck to M. Bond, attached as Exh. 21. Under the proposal, Comcast would pay a fee for carriage of TCR-produced games but would not own any part of the regional sports network. Comcast never responded to that proposal.

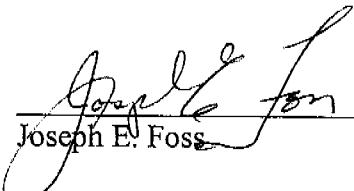
20. On May 13, 2005, TCR presented Comcast with another proposal for carriage of the Nationals games in 2005 and 2006, as well as the Orioles games beginning in 2007 in the event that the Orioles, MLB, and TCR prevailed in the recently filed lawsuit. *See* Exhs. 21, 22 & 28. The proposal made clear that TCR wished for Comcast to distribute the Nationals games regardless of which side prevailed in the lawsuit over the Orioles games.

21. Comcast initially responded to this second proposal only to say that it had received the proposal and that no response would be forthcoming. Comcast, however, made statements to the media to the effect that it would not carry Nationals games while CSN's lawsuit was pending. On June 7, 2005, we received a letter from Comcast requesting certain additional information. Ex. 34 (Letter from M. Bond to D. Gluck). On June 9, we responded to that letter. Ex. 35 (Letter from D. Gluck to M. Bond).

22. Comcast's refusal to air the Nationals games makes it impossible for TCR to be financially successful as an unaffiliated video programming provider. TCR cannot be

financially successful as an unaffiliated entity if the dominant cable provider in the D.C. metropolitan area refuses to carry Nationals games.

I swear that the above statements are true to the best of my knowledge.



Joseph E. Foss
June 13, 2005

EXHIBIT 5

The Washington Post

MASN Makes Another Pitch to Comcast for Nats; [FINAL Edition]

The Washington Post. Washington, D.C.: May 14, 2005. pg. D.02

Full Text (322 words)

Copyright The Washington Post Company May 14, 2005

Mid-Atlantic Sports Network sent its second proposal in a month to Comcast Corp. yesterday asking that the cable company offer the Washington Nationals games to its subscribers throughout the Baltimore-Washington region, a MASN spokesman confirmed.

"We sent a proposal to Comcast to carry MASN and Nationals games to its millions of subscribers in the region," said MASN spokesman Vince Wladika.

Comcast has declined to carry the MASN channel, including Nationals games, until it and MASN resolve their differences over Orioles telecasts. The cable company filed a lawsuit last month in Montgomery County accusing MASN of a breach of contract for allegedly planning to place the Orioles games on another MASN channel in 2007 without allowing Comcast SportsNet to match the offer.

A Comcast spokesman said yesterday that the new MASN proposal will not change its position.

"The revised proposal does not acknowledge or compensate Comcast SportsNet for the clear breach of our legal rights," Comcast Executive Vice President David Cohen said. "Major League Baseball and the Baltimore Orioles need to deal with that fundamental reality."

MASN, jointly owned by Major League Baseball and the Orioles, controls the television territory in the Baltimore-Washington region. It already produces the Nationals games, which are carried on WDCA-20 in Washington. DirecTV also carries the MASN-produced Nationals games to its 1.3 million customers throughout the Baltimore-Washington region. Comcast carries Channel 20 in Washington, but it does not carry any other Nationals games.

"If this, as Comcast claims, is not about the Nationals, then why aren't their games on Comcast?" Wladika said.

Comcast SportsNet produces 87 Orioles games reaching 4.7 million homes from Pennsylvania to the North Carolina border. Comcast is the largest cable company in the U.S. with around 22 million subscribers.

"It is not our desire to keep the Nationals off television," Cohen said. "It is not our desire to hurt or anger the Nationals fans. But we are not the wrongdoer here."

-- Thomas Heath

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EXHIBIT 6

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

RECEIVED

JUN 14 2005

Federal Communications Commission
Office of Secretary

In the Matter of)
)
TCR Sports Broadcasting Holding, L.L.P.,)
)
Complainant,)
)
v.)
)
Comcast Corporation,)
)
Defendant.)

File No. _____

EMERGENCY PETITION FOR TEMPORARY INJUNCTIVE RELIEF

TCR Sports Broadcasting Holding, L.L.P. ("TCR"), doing business as Mid-Atlantic Sports Network, Inc. ("MASN"), by its attorneys and pursuant to Section 616 of the Communications Act of 1934, 47 U.S.C. § 536, and its implementing regulations, 47 C.F.R. §§ 76.1300-76.1302, hereby respectfully requests that the Commission issue temporary injunctive relief on an emergency basis.¹ Specifically, TCR requests an order from the Commission directing Comcast Corporation ("Comcast") immediately to comply with 47 C.F.R. § 76.1301 by ceasing its discriminatory activities against TCR and mandating carriage of TCR's programming of Washington Nationals ("Nationals") Major League Baseball games on all Comcast systems located in the District of Columbia, the States of Maryland, Virginia, and Delaware, and certain counties in

Pennsylvania, West Virginia, and North Carolina that compose the exclusive² television territory of the Baltimore Orioles. Resolving the financial terms of that carriage is of far less immediate concern to TCR than securing distribution of the Nationals games as expeditiously as possible. In its Complaint, TCR urges the Commission to order carriage under the same terms and conditions that TCR has received from other multi-channel video program distributors, such other terms and conditions as the Commission deems just and reasonable, or such other terms and conditions as shall be established through binding independent arbitration.

Such immediate relief is necessary to ensure that the Washington-area viewing public is protected from Comcast's brazen rule violations, which have already resulted in the public being deprived of the opportunity to watch the new Washington Nationals baseball team on the networks of Comcast and other multichannel video program distributors ("MVPDs") during the Nationals' inaugural season. Concurrently with this Petition, TCR has filed a Complaint seeking redress for the discriminatory conduct that Comcast has undertaken to the detriment of TCR, the Washington Nationals baseball team, and the viewing public at large in the Washington, D.C. metropolitan area. The Complaint alleges that Comcast has taken numerous steps to discriminate against TCR because TCR received the production and exhibition rights to Nationals games rather than Comcast's wholly-owned subsidiary, Comcast SportsNet Mid-Atlantic L.P. ("CSN"), which vigorously negotiated with Major League Baseball for a license to those rights. *See, e.g.*, Compl. ¶¶ 7-9, 52, 55-56, 60, 62, 66, 74, 81. Such discriminatory conduct unreasonably restrains the ability of TCR to compete fairly by discriminating in

² Pursuant to an agreement with Major League Baseball dated March 28, 2005, the Orioles have agreed to share their exclusive television territory with the Nationals. Ex. 1. (Exhibit numbers reference exhibits to the Complaint filed this day with the Commission.)

the distribution of video programming on the basis of affiliation or nonaffiliation of vendors, in violation of 47 C.F.R. § 76.1301(c). *Id.* ¶¶ 67-74. Comcast has also made clear that it will not carry Nationals games unless it receives a financial interest in the regional sports network that carries those games, a demand that violates 47 C.F.R. § 76.1301(a). *Id.* ¶¶ 1, 8-9, 75-81. TCR urges the Commission to review this Petition and the accompanying Complaint on an expedited basis, as envisioned by Congress in the passage of 47 U.S.C. § 536. *See* 47 U.S.C. § 536(a)(4) (requiring the Commission to promulgate rules that “provide for expedited review of any complaints made by a video programming vendor pursuant to this section”). At the same time, because even expedited review of the Complaint may take some time, TCR seeks temporary injunctive relief ordering Comcast to carry TCR’s production of the remaining available Nationals’ baseball games until the Commission can formally act on the Complaint.

Such temporary relief is necessary if the Commission is not able to act immediately on the Complaint because as each day goes by, the inaugural season of the Nationals’ baseball team slips away, taking with it the Nationals’ ability to establish a new fan base, TCR’s ability to cultivate a strong viewership base for its programming service, and the viewing public’s opportunity to watch the return of baseball to the National Capital region after more than three decades. The long-term ramifications of Comcast’s actions are severe: with each passing day Comcast’s discrimination in favor of its subsidiary video programming vendor, Comcast SportsNet, becomes more pernicious, and its past efforts to extract an equity interest in exchange for carriage of Nationals games more insidious.

Unless addressed by this Commission in the immediate near term, Comcast's illegal efforts will succeed in denying to the competitor of its subsidiary video programming vendor the opportunity to gain a crucial foothold in the production and exhibition of programming that is of broad interest to the Washington area viewing public. As of today, June 14, the baseball season is nearly half over – approximately 60% of Nationals games remain to be played. Absent a rapid resolution of this matter by the Commission, or the award of interim relief, the unique opportunity for TCR and the Nationals to capitalize on the heightened interest among fans and the viewing public in general in the Nationals' inaugural season will be irretrievably lost.

I. FACTUAL BACKGROUND

The Complaint filed concurrently with this petition sets out TCR's primary claims against Comcast and discusses the factual basis for these claims in detail. *See* Compl. ¶¶ 1-81. This petition in turn briefly sets forth a few of the key facts and provides an explanation for the need for temporary injunctive relief.

On March 28, 2005, pursuant to an agreement between and among MLB, TCR, and the Orioles, TCR acquired the rights to produce and exhibit Nationals games. Compl. ¶ 2. In addition, TCR owns the rights to produce and exhibit Orioles baseball games, although it has licensed its rights to certain of the Orioles games for pay television to CSN through the 2006 season. *Id.* CSN is a regional sports network that is a wholly-owned subsidiary of Comcast. *Id.* ¶ 7. Comcast is the dominant MVPD in the Washington, D.C. Designated Market Area ("DMA") with approximately 67 percent of all subscribers to MVPD services. *Id.* ¶¶ 3, 7. The present dispute revolves around Comcast's refusal to carry the Nationals baseball games produced and exhibited by TCR.

Comcast aggressively sought to obtain from MLB the rights to produce and exhibit Nationals' baseball games on CSN, but failed to obtain these rights. *Id.* ¶ 8. Instead, pursuant to the March 28 agreement, TCR was awarded the rights to produce and exhibit such games, which TCR has done under the MASN trade name. *Id.* ¶ 2. Comcast also sought to pressure the Orioles, MLB, and TCR into giving it an equity interest in the regional sports network that would produce Nationals games as a condition of carriage. *Id.* ¶ 8. Since the failure of Comcast's efforts, after ratification of the March 28 agreement, Comcast has flatly refused to distribute Nationals' baseball games that are within TCR's control as a video programming vendor. *Id.*

TCR, for its part, has repeatedly provided Comcast with proposals for the carriage of Nationals games produced by TCR in an effort to get as many games on television as soon as possible. *Id.* ¶¶ 49-50, 54. Comcast, in turn, has refused to respond meaningfully to these proposals and instead, acting in concert with CSN, has adopted a three-pronged approach designed to harm TCR: filing a baseless lawsuit against the Orioles, TCR, and MLB in Maryland state court; sending letters to other multichannel video programming distributors falsely claiming that the Orioles and TCR were violating the terms of their contract with CSN; and sending letters to members of Congress falsely accusing the Orioles of being responsible for the Nationals not being on television in the Washington, D.C. metropolitan area. *Id.* ¶ 51-66. These actions are the key elements of a calculated effort undertaken by Comcast to improperly discriminate in favor of its affiliated video programming vendor – CSN – and to pressure TCR, the Orioles, and MLB into providing Comcast with an equity interest in the regional sports network that produces Nationals games as a condition of carrying those games. The linchpin of this

effort is Comcast's decision to hold the viewing public hostage by flatly refusing to display (or even to negotiate terms for displaying) Nationals games until its lawsuit filed in Maryland is resolved, notwithstanding the fact that the Maryland lawsuit relates to the production and exhibition rights for *Orioles* games beginning in the 2007 season and has absolutely nothing to do with the display of *Nationals* games for the 2005 season. *Id.*

¶ 53, 55. Indeed, nothing in the contract that is the subject of the Maryland state court litigation concerns or contemplates the television rights to Nationals games, and the Nationals in fact did not exist as a Washington franchise in 1996 when that contract was first entered into. *Id.*

II. COMMISSION AUTHORITY AND THE STANDARDS FOR TEMPORARY INJUNCTIVE RELIEF

The Commission's rules explicitly authorize the provision of temporary relief if the Commission determines that an evidentiary hearing is necessary to assess the merits of the Complaint. *See* 47 C.F.R. § 76.7(e)(1) ("In the event that an evidentiary hearing is required, the Commission will determine, on the basis of the pleadings and such other procedures as it may specify, whether temporary relief should be afforded any party pending the hearing and the nature of any such temporary relief."). Moreover, Section 76.1302 provides that the remedies provided in "this section are in addition to and not in lieu of the sanctions available under title V or any other provision of the Communications Act." 47 C.F.R. § 76.1302(g)(2).

The Commission has ordered interim injunctive relief under the Communications Act in the past, noting that "the Commission and the federal courts generally consider the

four criteria set forth in *Virginia Petroleum Jobbers*,³ to evaluate request for preliminary injunctive relief: (1) likelihood of success on the merits; (2) the threat of irreparable harm absent the grant of preliminary relief; (3) the degree of injury to other parties if relief is granted; and (4) that the issuance of the order will further the public interest.” See *In re AT&T Corp., et. al.*, 13 FCC Rcd. 14508, 14515-16, ¶¶ 13-14 (1998).

As the D.C. Circuit has explained, injunctive relief is appropriate if movants demonstrate either a likelihood of success on the merits and a showing of “irreparable injury,” or, alternatively, a “serious” question regarding the merits coupled with a more “substantial” showing regarding the balance of equities. See *Washington Metro. Area Transit Comm’n v. Holiday Tours, Inc.*, 559 F.2d at 844. In judging the balance of harms, moreover, the interests of the private parties take a back seat to those of the public. As this Commission has noted, “[i]n litigation involving the administration of regulatory statutes designed to promote the public interest, this factor necessarily becomes crucial.” *In re AT&T Corp.*, 13 FCC Rcd. at 14516 ¶ 14 (quoting *Virginia Petroleum Jobbers*, 259 F.2d at 925).

Accordingly, the public interest in access to Nationals games is the crucial consideration in this case. In addition, TCR has a strong likelihood of success in challenging Comcast’s blatant and unlawful discrimination; TCR suffers immediate and irreparable harm as the ability to televise the games from the National’s inaugural season is lost; and Comcast suffers little harm (and indeed, would benefit itself) from making a channel available for games that it has repeatedly acknowledged its viewers wish to see.

³ *Virginia Petroleum Jobbers Ass’n v. Federal Power Comm’n*, 259 F.2d 921, 925 (D.C. Cir. 1958), as modified by *Washington Metro. Area Transit Comm’n v. Holiday Tours, Inc.*, 559 F.2d 841 (D.C. Cir. 1977)

See, e.g., Compl. ¶¶ 7-9, 23-24, 47, 56, 58-59, 63, 65, 69, 77, 81. The case in favor of temporary injunctive relief is therefore overwhelming.

III. THE STANDARDS FOR TEMPORARY INJUNCTIVE RELIEF ARE SATISFIED HERE

A. Comcast's Actions Constitute Clear Violations of Section 76.1301 of the Commission's Rules

Section 76.1301(c) of the Commission's rules provides that "No multichannel video programming distributor shall engage in conduct the effect of which is to unreasonably restrain the ability of an unaffiliated video programming vendor to compete fairly by discriminating in video programming distribution on the basis of affiliation or non-affiliation of vendors in the selection, terms, or conditions for carriage of video programming provided by such vendors." 47 C.F.R. § 76.1301(c). Comcast has violated this rule by discriminating against TCR in favor of CSN.

Comcast is a cable operator that falls within the definition of a "multichannel video programming distributor." *See* 47 C.F.R. § 76.1300(d) ("The term 'multichannel video programming distributor' means an entity engaged in the business of making available for purchase, by subscribers or customers, multiple channels of video programming. Such entities include, but are not limited to, a cable operator, a multichannel multipoint distribution service, a direct broadcast satellite service, a television receive-only satellite program distributor, and a satellite master antenna television system operator, as well as buying groups or agents of all such entities."). TCR, doing business as MASN, falls within the definition of a video programming vendor, because it is "a person engaged in the production, creation, or wholesale distribution of video programming for sale." 47 U.S.C. § 536(b); *accord* 47 C.F.R.

§ 76.1300(e). Like TCR, CSN also is a video programming vendor, and, as a wholly-owned subsidiary of Comcast, it is “affiliated” with Comcast. *See* 47 U.S.C. § 522(2) (the term “affiliate” under the 1992 Cable Act, “when used in relation to any person, means another person who owns or controls, is owned or controlled by, or is under common ownership or control with, such person.”).

The Commission’s rules explicitly bar Comcast from restraining the ability of TCR to compete fairly by discriminating against TCR on the basis of its non-affiliation with Comcast. Comcast has engaged in such discrimination by refusing to carry TCR-produced Nationals games on its Washington metro area cable systems simply because TCR obtained the rights to produce and exhibit Nationals games and CSN did not. Comcast has engaged in this discriminatory conduct to hinder TCR’s ability to become successful financially and to compete against CSN as a regional sports network producing programming that is exciting to Washington area viewers. *See, e.g.*, Compl. ¶¶ 7-9, 52, 55-56, 60, 62, 66, 74.

Comcast’s refusal to carry TCR cannot be defended on the grounds that Comcast’s subscribers would not be interested in receiving Nationals games. First, having negotiated vigorously with MLB to televise the Nationals games through CSN, Comcast cannot credibly take the position now that it and its subscribers have no interest in those games as part of Comcast’s cable service. *Id.* ¶¶ 8, 23-24, 47, 56, 74, 81. Indeed, despite Comcast’s disingenuous statements about its desire to distribute Nationals games “to the largest possible fan base,” Ex. 22 (CSN Compl. ¶ 36); Ex. 19 (FAC ¶ 50), Comcast is currently preventing millions of viewers in the D.C. metropolitan area from seeing those games on its dominant cable television distribution network. Compl. ¶ 62.

Second, the two other MVPDs in Comcast's franchise area – cable operator Starpower Communications/RCN and satellite operator DirecTV – have both entered into affiliation agreements with TCR to distribute TCR-produced Nationals games. Compl. ¶ 49. Again, this fact demonstrates that viewers in Comcast's franchise area want these games. But those MVPDs only have one-third of the MVPD subscribers in Comcast's franchise area, whereas Comcast has two-thirds. *Id.* Thus, they are unable to blunt the effects of Comcast's discrimination against TCR.

Finally, Comcast is refusing even to negotiate with TCR over the distribution of Nationals games on Comcast. *Id.* ¶¶ 8, 50-51, 54-55, 74, 77, 81. Comcast is thus engaging in a form of discrimination – using its clout as the dominant cable operator in the Washington, D.C. metropolitan area – to favor its own video programming vendor, CSN. *Id.* ¶¶ 7-9, 52, 55-56, 60, 62, 66, 74. By denying TCR a foothold in the Washington market that Comcast dominates, the cable operator hopes to suppress viewer loyalty to a video programming vendor that it does not control (TCR) for the benefit of one that it does control (CSN). *Id.* ¶ 56. Comcast appears to hold out hope that its discriminatory actions against TCR will undo the contract among MLB, the Orioles, and TCR that conferred on TCR the exclusive rights to produce and exhibit Nationals games. *Id.*

Comcast has also violated the 1992 Cable Act and the Commission's rules implementing that Act by attempting, in the alternative, to extract an equity position in the regional sports network that produces and exhibits Nationals games as a condition of carriage. The 1992 Cable Act prohibits "a cable operator or other multichannel video programming distributor from requiring a financial interest in a program service as a

condition for carriage on one or more of such operator's systems." 47 U.S.C.

§ 536(a)(1). Similarly, the Act's implementing regulation provides a similar prohibition by regulation: "No cable operator or other multichannel video programming distributor shall require a financial interest in any program service as a condition for carriage on one or more of such operator's/provider's systems." See 47 C.F.R. § 76.1301(a). Thus, Comcast is forbidden from requiring an equity interest in a program service (TCR's programming of Nationals games) as a condition for carriage on Comcast's systems.

The FCC has recognized that this provision of the Cable Act is "intended to prevent cable systems . . . from taking undue advantage of programming vendors through various practices, including coercing vendors to grant ownership interests . . . in exchange for carriage on their systems." Second Report and Order, *Implementation of Sections 12 and 19 of the Cable Television Consumer Protection and Competition Act of 1992*, 9 FCC Rcd 2642, 2643, ¶ 1 (1993). Examples of behavior that violates the statutory prohibition on the requirement of a financial interest include: "ultimatums, intimidation, conduct that amounts to the exertion of pressure beyond good faith negotiations, or behavior that is tantamount to an unreasonable refusal to deal with a vendor who refuses to grant financial interests . . . in exchange for carriage." *Id.* at 2649, ¶ 17.

Thus, while multichannel distributors such as Comcast may negotiate for a financial interest in the context of good-faith, arms-length discussions, they may not "insist upon" such an interest in exchange for carriage on their systems. *Id.* Yet throughout the period of months leading up to the ratification of the March 28 agreement between MLB, the Orioles, and TCR, Comcast made clear to TCR through intermediaries

that it would not carry Nationals games unless it received an equity position in the regional sports network that produced those games. *See* Compl. ¶¶ 30-37, 77-81. Its refusal now even to negotiate with TCR over the televising of Nationals games further establishes Comcast's intent to violate the Act's prohibition on such equity demands.

Section 76.1301 is unambiguous. The activities undertaken by Comcast to discriminate on the basis of CSN's affiliation with Comcast and to seek an equity interest in the regional sports network that holds the rights to produce and exhibit those games (now doing business as MASN) violate this rule. The nature of Comcast's violation is clear when viewed in light of the fact that Comcast has wholly refused to deal with TCR on the issue of distributing the Nationals games. There is no reasonable reading of the law under which Comcast's actions may be justified. Thus, TCR has a high likelihood of success on the merits.

B. The Balance of Harms, and In Particular the Public Interest, Favors Interim Relief

Failure by the Commission to act on an emergency basis to order Comcast to desist from its violation of the Commission's rules and to require carriage of TCR's program service would significantly erode the protections of Section 76.1301 as a practical matter. As the Commission is aware, the protection afforded by Section 76.1301 is, by its nature, designed to prevent the very type of activity taking place here – video programming vendors and consumers being held hostage by a cable operator seeking to discriminate in favor of an affiliated vendor and/or to improperly obtain an equity interest in the program service being offered. Comcast has no excuse for its actions, which include refusing to deal with TCR or to carry Nationals games on any basis while an unrelated lawsuit is pending in state court, threatening other distributors

with legal action, and making false public statements in correspondence with members of Congress regarding the broadcast of Nationals games. *See* Compl. ¶ 51; Exs. 23-25. Indeed, the only explanation for Comcast's actions is the obvious one – Comcast's efforts to date are part of a concerted and deliberate effort to pressure TCR, the Orioles, and MLB into allowing Comcast to obtain a sweetheart deal for its affiliated regional sports network and/or obtain an equity stake in whatever regional sports network obtains the rights to produce and exhibit Nationals games.

The Commission should not allow this flagrant violation of its rules. More importantly, however, the Commission cannot allow Comcast to continue these improper activities during the four months remaining in the Nationals' inaugural season. To do so would be to allow Comcast to put a nearly unsustainable measure of pressure on TCR to give in to Comcast's illegitimate demands. The Nationals and the viewing public also pay a stiff price for Comcast's actions.

Complaints pursuant to Section 76.1301 are rarely brought. Indeed, the Commission staff has informed TCR that this is only the second complaint ever brought under this section. This is likely because violations of this rule are often hidden behind a barrage of false and misleading statements designed to disguise the true intent of the cable operator. In this case, however, no amount of posturing can disguise the fact that Comcast is refusing to deal with a nonaffiliated vendor because of its disgruntlement that its affiliated vendor did not obtain the production and exhibition rights to Nationals games, and because it has not been afforded an equity stake in the nonaffiliated vendor. The balance of the harms, especially to the public, weighs strongly in favor of the Commission entering a temporary order requiring Comcast to initiate carriage of TCR's

programming of the Nationals games. The nature of sporting events generally is that they are inherently time-sensitive. Once a baseball game is played, the immediacy of the event to the viewing public is over. Thus, the public is harmed by not having access to the game when it is played. Similarly, the Nationals and TCR are harmed because the drop-off in the level of interest substantially reduces the potential profit to be obtained from such broadcasts. *See Declaration of Joseph Foss in Support of Carriage Agreement Complaint* ¶ 22. These delays are particularly of concern to the public, the Nationals and TCR because they take place in the context of the Nationals' inaugural season, when excitement about the team is high and an unparalleled opportunity exists to forge a strong bond between the community and the team. Thus, for every day that the Commission does not act, the public, the Nationals, and TCR suffer a loss of goodwill that, while difficult to measure, is substantial, and cannot be recouped at a later date or through monetary compensation. This is a paradigmatic case of irreparable harm to the public interest and the interests of the Nationals and TCR.

As noted above, the harm to the public should be the most important factor in the Commission's deliberations, and that factor strongly favors immediate relief. Literally millions of viewers in the Washington, D.C. metropolitan area who have long awaited a baseball team have been denied the opportunity to watch their new home team. This harm is accentuated, as noted above, precisely because this is the first time baseball has been played in the metropolitan Washington, D.C. area since 1971. The Commission cannot and should not tolerate Comcast's efforts to hold Nationals fans and their team hostage because of its failed attempt to obtain illegitimate concessions. This hardship may be avoided if the Commission were to mandate carriage of these games for the

remainder of the Nationals' inaugural season, during which time the terms of the carriage can be mediated or arbitrated on a mutually acceptable basis.

Mandating carriage of TCR's programming of Nationals games can present no actual injury to Comcast whatsoever. Comcast has already made it clear that it has both the desire and the channel capacity to carry the Nationals games on its network. Comcast simply wants to do so on its own regional sports network. But Comcast is not permitted to retaliate in this manner. If the Commission is not willing to enforce its rules against such discrimination in a context as clear as this, then the rules are a dead letter.

CONCLUSION

Comcast's attempt to discriminate against TCR in favor of CSN and its effort to extract concessions from TCR should be soundly rejected by the Commission. Moreover, given the harm currently being suffered by the viewing public, the Nationals, and TCR as a direct result of Comcast's violations of the Commission's rules, immediate injunctive relief should be ordered. For the reasons discussed above, TCR respectfully requests that the Commission issue temporary relief directing Comcast to immediately comply with 47 C.F.R. § 76.1301, to cease its discriminatory activities against TCR, and to distribute TCR's program service of Nationals games on all Comcast systems under the same terms and conditions that TCR has received from other multi-channel video program distributors or such other terms and conditions as the Commission deems just and reasonable (including those that may be ordered through binding independent arbitration as directed by the Commission).

Respectfully submitted,

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Dated: June 14, 2005

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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the Matter of)
)
TCR Sports Broadcasting Holding, L.L.P.,)
)
Complainant,)
)
v.)
)
Comcast Corporation,)
)
Defendant.)

File No. _____

**DECLARATION OF JOSEPH E. FOSS IN SUPPORT OF THE EMERGENCY
PETITION FOR TEMPORARY INJUNCTIVE RELIEF OF TCR SPORTS
BROADCASTING HOLDING, L.L.P.**

1. My name is Joseph E. Foss. I am over the age of 21 years and have personal knowledge of the facts contained herein.

2. I became Vice Chairman of the Baltimore Orioles Limited Partnership ("BOLP") in 1993 and have been employed by the club in that capacity ever since. I currently have responsibility for all of the club's day-to-day operations. These include business, financial, and administrative operations, as well as working with the Baseball Operations Department on budget and player contracts. I have extensive experience in efforts by a Major League Baseball team – the Orioles – to cultivate fan loyalty through television broadcasts.

3. Comcast's refusal to carry the Nationals games is irreparably injuring the Washington Nationals by preventing them from developing the goodwill and fan support that are essential to the success of the franchise in Washington, D.C.

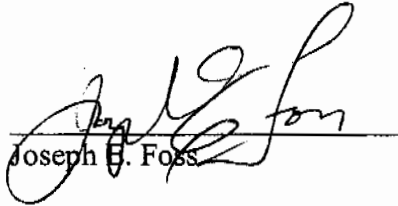
4. For a recently relocated team, the initial months of the first season are crucial to the development of a long-term fan base. Potential fans who cannot see Nationals games on television are much less likely to develop loyalty and goodwill toward the team. News media reports have recognized that Comcast's failure to carry the Nationals games is preventing Washington-area viewers from identifying with and supporting the Nationals. *See, e.g.,* Ex. A (P. Adams, *Comcast Lawsuit Challenges Right To Air O's Games*, Balt. Sun, Apr. 22, 2005, at 1A); Ex. B (T. Heath, *For Many Area Fans, Nationals are Out of Sight*, Wash. Post, Apr. 29, 2005, at D1) (quoting Josh Glassman, a Reston resident, as saying "I was hoping to get to know my hometown players, but what I got was some show called 'Girlfriends.' . . . I'm trying to become a Nationals fan, but it's hard to identify with a team that you don't get to see every day on TV. It's ridiculous that all the games are not available.")); *see also* Heath, *For Many Area Fans, supra* ("Hundreds of thousands of other fans, some within an hour's drive of RFK Stadium, are unable to see the games because they aren't being picked up by regional sports networks such as Comcast SportsNet, major cable companies and satellite providers beyond the core Washington market.").

5. Television experts recognize that, even if ratings are low, "constant, wide exposure on TV is crucial to the success of any ballclub," and that "the exposure is even more important for a team such as the Nationals, who are trying to establish a presence in a new city." *Id.* As Nationals president Tony Tavares explained, "What television does

for any team is to give you identity in the market. . . . People who haven't been to games see how much fun people are having at the games. It puts a face on the players and gives people a chance to know them." *Id.* The Nationals are currently deprived of this essential exposure in millions of households because of Comcast's conduct. *See* Ex. C (*Agreement Expands Nats' TV Coverage*, Wash. Post, May 18, 2005, at D2) ("Although the number of television households receiving Nationals games has expanded since the season started, MASN has yet to sign a deal with cable giant Comcast, which could deliver Nationals games to millions more households throughout the region."); *see also* Ex. D (T. Heath, *Orioles Accuse Comcast of Intimidating Cable Prospects*, Wash. Post, May 24, 2005, at D1) ("Access to television has become a crucial issue to the Nationals as the franchise seeks to develop a fan base in the Washington region. . . . The Nationals will have difficulty getting broad distribution throughout the Washington-Baltimore region because Comcast, which is the dominant cable provider in the region, has not made room for the games on its channels.").

6. The Nationals and TCR are currently losing a substantial amount of money in revenue for each game produced and exhibited by TCR that Comcast refuses to distribute. Moreover, for each game the Nationals play that is not widely televised in the D.C. area, the Nationals are losing an irretrievable opportunity to cultivate the fans who will later provide the Nationals with revenue by both attending games and watching them on television. If the FCC later orders Comcast to carry Nationals games, it will be impossible to fully compensate the Nationals for the lost goodwill and fan support resulting from the unavailability of their games in their first season.

I swear that the above statements are true to the best of my knowledge.



Joseph B. Foss

June 13, 2005

ATTACHMENT A

4/22/05 Balt. Sun 1A
2005 WLNK 6289369

Baltimore Sun (MD)
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April 22, 2005

Section: TELEGRAPH

Comcast lawsuit challenges right to air O's games Provisions of deal that brought Nationals to D.C. under attack Suit could delay getting games on TV Comcast SportsNet contends it holds exclusive contract

SUN STAFF Paul Adams

Major League Baseball's delicate deal to ensure the widespread broadcast of Washington Nationals baseball games while appeasing Baltimore Orioles owner Peter G. Angelos hit a snag yesterday when Comcast SportsNet sued the Orioles and baseball over broadcast rights.

The lawsuit, which claims Comcast has a contract guaranteeing it exclusive rights to negotiate for Orioles broadcast rights through November 2005, will delay efforts to get Nationals games carried on local cable television and potentially limit advertising revenue that could have come with increased exposure.

It also opens an awkward rift between Comcast and the Orioles, which have been television partners for more than a decade.

The deal struck in April between Angelos and MLB would hand broadcast rights to a regional sports network majority-owned by the Orioles.

Industry sources say the recently formed Mid-Atlantic Sports Network would, in turn, charge cable providers \$2 to \$3 per subscriber to receive the Orioles and Nationals. Presumably, the fee would be passed on to cable consumers.

With Comcast on the sidelines while its lawsuit plays out, baseball fans will see only Nationals games already carried on Washington stations WTTG/Channel 5 and UPN WDCA Channel 20, as well as the few games nationally broadcast by ESPN or Fox.

The cable provider sought to portray its lawsuit, in part, as a fight for baseball-loving cable subscribers, who could potentially be forced to pay extra to get broadcasts of both teams' games over cable.

'MLB should pay'

"If Major League Baseball wants to compensate Angelos for bringing the Nationals to Washington, that's their right," said David Cohen, executive vice president of Comcast Corp.

"But MLB should pay for it, as opposed to creating a structure where cable and satellite customers in Baltimore and Washington are going to have to pay an Angelos

tax in order to finance whatever obligation MLB felt it had to give the Orioles."

Bob Whitelaw, executive vice president and general manager of Mid-Atlantic Sports Network, said the network has offered Comcast the opportunity to distribute Nationals' games. He said Comcast turned down the offer, instead demanding an ownership interest in MASN.

"That unfounded suit filed today will not deter MASN in its efforts to present the Nationals' games," he said. "It should not be forgotten that MASN will pay the Nationals \$20 million in rights fees for this season."

Bob DuPuy, baseball's chief operating officer, said yesterday, "We ... are obviously disappointed by the lawsuit. There have been discussions among Comcast, the Orioles and MASN. While we are hopeful those discussions can lead to a quick resolution of the issues among them, nothing in the litigation has any impact on the current television schedule of the Nationals or rights fees being paid to the Nationals."

The legal tangle is another potential setback for Major League Baseball, which owns the Nationals and fought through months of negotiations to get Angelos to agree to let the former Montreal Expos relocate to Washington. Angelos argued that the Orioles would lose millions in revenue by having another team located nearby.

Angelos acquiesced to the move weeks ago when a deal was struck to create MASN and give it exclusive rights to broadcast both Orioles and Nationals games in the Baltimore-Washington market and beyond.

Comcast SportsNet has a contract to carry Orioles games through 2006, after which the Orioles plan to begin producing and distributing Orioles and Nationals games through MASN. Such networks can be very lucrative to the teams that own them, making the difference between profits and losing money for some owners.

Terms of contract

But in a lawsuit filed in Montgomery County Circuit Court in Rockville, Comcast says its decade-old contract with the Orioles gives it exclusive rights to negotiate an extension of its broadcast rights through November this year. If no deal is reached, court documents say, the contract gives Comcast the right to match any offer the Orioles receive from a third party.

By forming a deal with MLB and cutting out Comcast, the Orioles violated the contract, the cable provider contends.

Washington Nationals President and CEO Tony Tavares said he was disappointed in the suit, given widespread interest in getting ballgames on television. He also said he wished someone had contacted him in advance about the suit.

Many Nationals fans had hoped Comcast would agree to carry more Nats games this season other than the ones - almost half - being shown on WDCA-TV UPN 20. That seems unlikely now that the TV dispute has ended up in the courts.

Comcast suggests in the suit that its goal was not to deny fans televised games. Rather, it says it hoped to work out a deal under which it could televise Nationals games while it continued to broadcast Orioles contests.

"The lawsuit is not aimed at the Nationals in any way," Comcast said in a statement. "Comcast has sought for months to negotiate a deal with MLB to ensure

that all Nationals games would be broadcast to the widest possible audience."

Sun staff writers Jeff Barker and Peter Schmuck contributed to this article.

The points

In its suit against the Baltimore Orioles, Major League Baseball and the Mid-Atlantic Sports Network, Comcast SportsNet Mid-Atlantic maintains it:

Owns the rights to produce and broadcast on local pay TV Orioles games through 2006.

Holds exclusive rights to negotiate until November 2005 for a contract extension or new contract for future TV rights.

Holds the right to match any agreement between the Orioles and a third party for future local pay TV.

---- INDEX REFERENCES ----

COMPANY: COMCAST CORP

NEWS SUBJECT: (Major Corporations (1MA93))

INDUSTRY: (TV (1TV19); Telecom Carriers & Operators (1TE56); TV Sports (1TV47); Entertainment (1EN08); Sports (1SP75); Cable TV Programming (1CA07); Cable TV Sports Networks (1CA47); Broadcast TV Programming (1BR42); TV Programming (1TV26); Baseball (1BA48); Telecom (1TE27); Television Networks (1TE85); Cable TV (1CA92); Broadcast TV (1BR25))

REGION: (Maryland (1MA47); Americas (1AM92); North America (1NO39); USA (1US73))

Language: EN

OTHER INDEXING: (ATLANTIC; ATLANTIC SPORTS NETWORK; COMCAST; COMCAST CORP; COMCAST SPORTSNET; COMCAST SPORTSNET MID; ESPN; FOX; MAJOR LEAGUE; MAJOR LEAGUE BASEBALL; MASN; MID ATLANTIC SPORTS NETWORK; MLB; MONTGOMERY COUNTY CIRCUIT COURT; TV; WDCA) (Angelos; Baltimore; Baltimore Orioles; Bob DuPuy; Bob Whitelaw; David Cohen; Industry; Jeff Barker; Nationals; Orioles; Peter G. Angelos; Peter Schmuck; Tony Tavares; UPN; UPN WDCA)

EDITION: FINAL

Word Count: 1137

4/22/05 BALTSUN 1A

END OF DOCUMENT

ATTACHMENT B

For Many Area Fans, Nationals Are Out of Sight

washingtonpost.com

For Many Area Fans, Nationals Are Out of Sight

By Thomas Heath
Washington Post Staff Writer
Friday, April 29, 2005; D01

Josh Glassman had just finished his barbecue chicken and was settling in front of the television in his Reston home Tuesday night to watch the Washington Nationals play the Philadelphia Phillies. But when he hit the clicker on his satellite television and turned to Washington's WDCA-20, Glassman found himself watching a show called "Girlfriends."

"I was hoping to get to know my hometown players, but what I got was some show called 'Girlfriends,'" said Glassman, 24, a financial analyst for the federal government. "I'm trying to become a Nationals fan, but it's hard to identify with a team that you don't get to see every day on TV. It's ridiculous that all the games are not available."

The season is less than a month old, and the Washington Nationals still haven't inked the cable and satellite deals that would give them the same presence in the Baltimore-Washington region that the rival Orioles enjoy. So far, the Nationals have been able to place 81 of their 162 games -- Tuesday night's game was not one of those -- in about 2 million households in Washington and its immediate suburbs, leaving gaps like the one Glassman encountered.

Hundreds of thousands of other fans, some within an hour's drive of RFK Stadium, are unable to see the games because they are aren't being picked up by regional sports networks such as Comcast SportsNet, major cable companies and satellite providers beyond the core Washington market. Viewers in outer counties -- Howard, Anne Arundel and Carroll in Maryland, Madison, Louisa, Albemarle and Caroline in Virginia and all of Maryland's Eastern Shore -- are unable to access Nationals games. Comcast SportsNet produces 87 Orioles games reaching 4.7 million homes from Pennsylvania to the North Carolina border. Another 67 Orioles games are televised in the Baltimore area and reach a much smaller number of homes.

The Nationals' 81 televised games are carried on two Washington stations, WDCA-20 and WTTG-5, both owned by Fox. Those ratings have translated to a mere 52,000 households out of the more than 2 million in the Washington television market, the eighth-largest in the country.

The Nationals' television exposure has been stalled by several factors, including a one-of-a-kind arrangement between baseball and the Orioles that gives the fledgling Mid-Atlantic Sports Network (MASN) control over the team's television rights; a seven-month negotiation that prevented MASN, to which baseball is contributing \$75 million in two installments over the next few years toward the network's infrastructure, from getting up and running until the day before the Nationals played their opener; and a lawsuit by Comcast Corp., whose competing sports network has the capability to carry the Nationals games to the same 4 million-plus households to which it delivers the Orioles.

"We are doing everything we humanly can to put on the games," said MASN chief executive Bob Whitelaw. "People are involved in negotiations with the cable and satellite operators around the clock. These are very complex deals. They don't get done in a day."

There are other ways to watch the Nationals: MLB makes the games available in streaming video on its Web site, for a price, and ESPN and Fox have a few Nationals games planned for their nationwide broadcasts.

A deal is reportedly imminent with satellite system DirecTV, which would expand the Nationals' audience by more than 400,000 households, according to estimates by industry experts. MASN is also in talks with satellite provider Echostar/Dish Network and dozens of other local and regional cable systems, including TimeWarner, Charter Communications, Star Power and Cox.

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For Many Area Fans, Nationals Are Out of Sight

Even with low ratings, television experts said constant, wide exposure on TV is crucial to the success of any ballclub. But the exposure is even more important for a team such as the Nationals, who are trying to establish a presence in a new city.

"What television does for any team is to give you identity in the market," said Nationals President Tony Tavares. "People who haven't been to games see how much fun people are having at the games. It puts a face on the players and gives people a chance to know them."

Baseball and the Orioles jointly created MASN as a way to preserve the Baltimore club's dominance over the region's baseball television market while also making room for the Nationals. The Orioles own 90 percent of MASN and MLB owns 10 percent, with baseball's share rising to 33 percent over the next three decades. MLB's share of the network will transfer to the Nationals' new owners once MLB sells the team.

Whitelaw said MASN's goal is to one day produce both Nationals and Orioles games. But Comcast currently owns the rights to 100 Orioles games, which it televises on its own Comcast SportsNet. Comcast last week filed suit in Montgomery County Circuit Court to prevent the Orioles from jumping to MASN after the 2006 season without allowing Comcast to match the offer.

"Neither the Orioles nor anyone else has the right to ignore clear, contractual obligations," said Comcast Executive Vice President David Cohen.

MASN needs to prevail in the lawsuit to gain the rights to air both the Nationals and Orioles, both of whom the network needs to draw enough subscribers to make MASN profitable. Meantime, Comcast, which is the dominant cable provider in the Baltimore-Washington area, is not carrying MASN or the Nationals.

"Our interest is in bringing as many of the Nationals games as we can to our customers while preserving the value of their cable television package," Cohen said. "Cable companies are not successful by depriving their customers of programming that they want to see."

MASN spokesman Vince Wladika said Comcast is not broadcasting Nationals games because it doesn't want to compete with another regional sports network.

"Comcast controls a majority of cable televisions in the mid-Atlantic region," said Wladika. "That makes them monopolistic. In their view, it's Comcast or no-cast. By not doing a deal with MASN and throwing a lawsuit at MASN, they are holding the Nationals and their fans hostage."

If Comcast wins its lawsuit with MASN or if it is not resolved soon, the deal that the Orioles made to allow the Nationals to enter the Washington television market could fall apart, throwing everything about the Nationals and the team's sale into question. At least eight bidders have filed \$100,000 payments for the right to bid on the team, but that process is unlikely to move ahead until MASN and Comcast resolve their issues.

"If I were king of the world," Tavares said, "I would ordain all of the problems between Comcast and MASN would go away and we would be fully distributed in the marketplace."

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For Many Area Fans, Nationals Are Out of Sight

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ATTACHMENT C

Agreement Expands Nats' TV Coverage

Post

Wednesday, May 18, 2005; D02

Washington Nationals games will expand to another 185,000 television households throughout the Washington area under an agreement reached yesterday between cable provider RCN and the Mid-Atlantic Sports Network, which controls baseball television rights in the region.

RCN will air 60 Nationals games on a MASN channel, starting with last night's game at RFK Stadium against the Milwaukee Brewers. The cable provider already carries 79 Nationals games over the air on WDCA Channel 20 and WTTG Channel 5, according to RCN and MASN spokesmen.

RCN has 185,000 customers in the District, southern Montgomery County, Gaithersburg and the city of Falls Church, according to a spokesman.

Satellite television provider DirecTV has a deal to broadcast 135 Nationals games this season, which includes a MASN channel as well as games on WDCA, WTTG and ESPN. DirecTV has 1.3 million subscribers in the Baltimore-Washington region, according to a DirecTV spokesman.

Although the number of television households receiving Nationals games has expanded since the season started, MASN has yet to sign a deal with cable giant Comcast, which could deliver Nationals games to millions more households throughout the region.

Comcast last month filed a suit against the Baltimore Orioles, MASN and Major League Baseball over Comcast's right to televise Orioles games. Comcast SportsNet owns the rights to televise about 80 Orioles games a year through 2006, and it has sued to prevent baseball and the Orioles from taking those games to MASN without giving Comcast a chance to match the offer.

In the meantime, Comcast will not carry MASN on its channels, although Comcast is carrying Nationals games on its WTTG and WDCA channels.

-- Thomas Heath

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ATTACHMENT D

washingtonpost.com

Orioles Accuse Comcast of Intimidating Cable Prospects

By Thomas Heath
Washington Post Staff Writer
Tuesday, May 24, 2005; D01

The Baltimore Orioles accused Comcast Corporation yesterday of trying to intimidate cable and satellite companies from televising Washington Nationals and other sports programming produced by the Mid-Atlantic Sports Network (MASN) -- co-owned by the Orioles and Major League Baseball -- according to a motion filed in Montgomery County Circuit Court.

The Orioles' motion, which seeks to prevent Comcast from obtaining confidential financial information on the newly formed regional sports network, is in response to a lawsuit Comcast filed last month. In that suit, Comcast alleges that the Baltimore baseball club is in violation of its contract with Comcast by planning to put Orioles games on MASN beginning in 2007.

In its court filing, the Orioles said Comcast "has already made improper use of . . . these proceedings by writing to approximately fifty entities, including present and prospective customers [of MASN], in a thinly disguised effort to intimidate those customers from entering into, or continuing with, business relationships with [MASN]."

Comcast Executive Vice President David Cohen, who had not seen the motion, called it "spurious," and said: "All that Comcast SportsNet has done is to make Major League Baseball, the Baltimore Orioles and the distributors of Comcast SportsNet service aware of the flouting of our clear contractual rights. And we are entitled to do that.

"If the Baltimore Orioles did not want us to communicate in this way, then they should have honored our contract."

Comcast, which will broadcast about 80 Orioles games this season on its Comcast SportsNet subsidiary, is the largest cable company in the United States with 22 million subscribers. It has enormous clout in the broadcast industry.

The motion also contains a letter from Orioles attorney William H. "Billy" Murphy Jr. to Comcast attorneys that offers an insight into the Orioles' defense of MASN. The network was created to compensate Orioles owner Peter Angelos for the effects of relocating the Nationals franchise to Washington.

Comcast has said that its contract with the Orioles gives it the right to match any offer before the Orioles move to another network or "third party." But the Orioles claim they are not required to allow Comcast to match MASN's offer.

"The Orioles haven't violated their agreement with Comcast," Murphy said in a telephone interview. "The Orioles have formed their own regional sports network, and that angers Comcast. There is no third party here."

Access to television has become a crucial issue to the Nationals as the franchise seeks to develop a fan base in the Washington region. Satellite provider DirecTV carries 135 Nationals games to its 1.3 million customers in the region, and last week cable company RCN struck a deal with MASN to deliver a similar amount of games to its 185,000 customers in the area.

MASN is also in negotiations with other cable companies and broadcasters.

About 80 games will be broadcast this season over the air by UPN Channel 20 (WDCA) and Fox Channel 5 (WTTG).

The Nationals will have difficulty getting broad distribution throughout the Washington-Baltimore region because Comcast, which is the dominant cable provider in the region, has not made room for the games on its channels. The

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Orioles Accuse Comcast of Intimidating Cable Prospects

company carries Nationals games on its WDCA, WTTG and ESPN channels, but the cable provider has not picked up the MASN channel.

"Their unspoken position is that they won't televise Nationals games until they own a piece of MASN," Murphy said.

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EXHIBIT 7



Media Bureau - Form 325

Sections I & II

Reference Number: 174426

Physical System Id: 012894 Filing Year: 2003

I. Operator Information

Cable Operator Legal Name: COMCAST OF THE DISTRICT LLC
Mailing Address: 1500 MARKET STREET, PHILADELPIA, PA. 19102

II. General Information

2a. Number of subscribers:	<u>100086</u>	3a. Leased Cable Modems:	<u>1638</u>
b. Potential subscribers:	<u>285884</u>	b. Total Set Top Boxes:	<u>62916</u>
c. Cable Modem subscribers:	<u>*****</u>	i. Analog Boxes Leased:	<u>17439</u>
d. Telephony subscribers:	<u>*****</u>	ii. Hybrid Boxes Leased:	<u>45477</u>
		iii. Digital Boxes Leased:	<u> </u>

4a. Coaxial Plant Length (Km):	<u>*****</u>	4e. CARS microwave links used:	Yes No
b. Fiber Optic plant length (sheath Km):	<u>*****</u>		<input checked="" type="radio"/> <input type="radio"/>
c. Fiber Optic Nodes:	<u>*****</u>	Use CheckBoxes to Remove Callsigns from List	
i. Subscribers/node:	<u>*****</u>	WHZ-681	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
d. System is part of a cluster:	Yes No		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<input checked="" type="radio"/> <input type="radio"/>		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
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Media Bureau - Form 325

Sections I & II

Reference Number: 174434

Physical System Id: 009812 Filing Year: 2003

I. Operator Information

Cable Operator Legal Name: COMCAST OF POTOMAC LLC

Mailing Address: 1500 MARKET STREET, PHILADELPIA, PA. 19102

II. General Information

2a. Number of subscribers:	<u>217762</u>	3a. Leased Cable Modems:	<u>62303</u>
b. Potential subscribers:	<u>365163</u>	b. Total Set Top Boxes:	<u>233172</u>
c. Cable Modem subscribers:	<u>*****</u>	i. Analog Boxes Leased:	<u>133490</u>
d. Telephony subscribers:	<u>*****</u>	ii. Hybrid Boxes Leased:	<u>99682</u>
		iii. Digital Boxes Leased:	<u> </u>
4a. Coaxial Plant Length (Km):	<u>*****</u>	4e. CARS microwave links used:	Yes No
b. Fiber Optic plant length (sheath Km):	<u>*****</u>		<input checked="" type="radio"/> <input checked="" type="radio"/>
c. Fiber Optic Nodes:	<u>*****</u>		
i. Subscribers/node:	<u>*****</u>		
d. System is part of a cluster:	Yes No		<input checked="" type="radio"/> <input checked="" type="radio"/>



Media Bureau - Form 325

Sections I & II

Reference Number: 175279

Physical System Id: 004448 Filing Year: 2003

I. Operator Information

Cable Operator Legal Name: **COMCAST OF MARYLAND INC**

Mailing Address: **1500 MARKET STREET , PHILADELPIA, PA. 19102**

II. General Information

2a. Number of subscribers:	<u>184053</u>	3a. Leased Cable Modems:	<u>30710</u>
b. Potential subscribers:	<u>349064</u>	b. Total Set Top Boxes:	<u>315982</u>
c. Cable Modem subscribers:	<u>*****</u>	i. Analog Boxes Leased:	<u>219978</u>
d. Telephony subscribers:	<u>*****</u>	ii. Hybrid Boxes Leased:	<u>96004</u>
		iii. Digital Boxes Leased:	<u> </u>
4a. Coaxial Plant Length (Km):	<u>*****</u>	4e. CARS microwave links used:	Yes No
b. Fiber Optic plant length (sheath Km):	<u>*****</u>		<input checked="" type="radio"/> <input checked="" type="radio"/>
c. Fiber Optic Nodes:	<u>*****</u>		
i. Subscribers/node:	<u>*****</u>		
d. System is part of a cluster:	Yes No		
	<input checked="" type="radio"/> <input checked="" type="radio"/>		



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Sections I & II

Reference Number: 174879

Physical System Id: 000359 Filing Year: 2003

I. Operator Information

Cable Operator Legal Name: COMCAST OF VIRGINIA INC

Mailing Address: 1500 MARKET STREET , PHILADELPIA, PA. 19102

II. General Information

2a. Number of subscribers: 89737
 b. Potential subscribers: 132961
 c. Cable Modem subscribers: *****
 d. Telephony subscribers: *****

3a. Leased Cable Modems: 30482
 b. Total Set Top Boxes: 99453
 i. Analog Boxes Leased: 55835
 ii. Hybrid Boxes Leased: 43618
 iii. Digital Boxes Leased: 0

4a. Coaxial Plant Length (Km): *****
 b. Fiber Optic plant length (sheath Km): *****
 c. Fiber Optic Nodes: *****
 i. Subscribers/node: *****
 d. System is part of a cluster: Yes No
 ☒ ☐
 i. Systems in cluster: 5
 ii. Subscribers in cluster: 111599

4e. CARS microwave links used: Yes No
 ☒ ☒

Use CheckBoxes to Remove Callsigns from List

WLY-264	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Media Bureau - Form 325

Sections I & II

Reference Number: 175762

Physical System Id: 004923 Filing Year: 2003

I. Operator Information

Cable Operator Legal Name: COMCAST OF VIRGINIA INC

Mailing Address: 1500 MARKET STREET, PHILADELPIA, PA. 19102

II. General Information

2a. Number of subscribers:	64542	3a. Leased Cable Modems:	17558
b. Potential subscribers:	100256	b. Total Set Top Boxes:	48940
c. Cable Modem subscribers:	*****	i. Analog Boxes Leased:	22100
d. Telephony subscribers:	*****	ii. Hybrid Boxes Leased:	26840
		iii. Digital Boxes Leased:	0
4a. Coaxial Plant Length (Km):	*****	4e. CARS microwave links used:	Yes No
b. Fiber Optic plant length (sheath Km):	*****		<input checked="" type="radio"/> <input checked="" type="radio"/>
c. Fiber Optic Nodes:	*****		
i. Subscribers/node:	*****		
d. System is part of a cluster:	Yes No		
	<input checked="" type="radio"/> <input checked="" type="radio"/>		
i. Systems in cluster:	2		
ii. Subscribers in cluster:	116451		





Media Bureau - Form 325

Sections I & II

Reference Number: 174587

Physical System Id: 007821 Filing Year: 2003

I. Operator Information

Cable Operator Legal Name: COMCAST OF POTOMAC LLC

Mailing Address: 1500 MARKET STREET, PHILADELPIA, PA. 19102

II. General Information

2a. Number of subscribers:	<u>51909</u>	3a. Leased Cable Modems:	<u>14288</u>
b. Potential subscribers:	<u>80633</u>	b. Total Set Top Boxes:	<u>39360</u>
c. Cable Modem subscribers:	<u>*****</u>	i. Analog Boxes Leased:	<u>17774</u>
d. Telephony subscribers:	<u>*****</u>	ii. Hybrid Boxes Leased:	<u>21586</u>
		iii. Digital Boxes Leased:	<u>0</u>
4a. Coaxial Plant Length (Km):	<u>*****</u>	4e. CARS microwave links used:	Yes No
b. Fiber Optic plant length (sheath Km):	<u>*****</u>		<input checked="" type="radio"/> <input checked="" type="radio"/>
c. Fiber Optic Nodes:	<u>*****</u>		
i. Subscribers/node:	<u>*****</u>		
d. System is part of a cluster:	Yes No		
	<input checked="" type="radio"/> <input checked="" type="radio"/>		
i. Systems in cluster:	<u>2</u>		
ii. Subscribers in cluster:	<u>116451</u>		



Media Bureau - Form 325

Sections I & II

Reference Number: 174444

Physical System Id: 009398 Filing Year: 2003

I. Operator Information

Cable Operator Legal Name: COMCAST OF SOUTHEAST PENNSYLVANIA INC
Mailing Address: 1500 MARKET STREET , PHILADELPIA, PA. 19102

II. General Information

2a. Number of subscribers:	<u>40986</u>	3a. Leased Cable Modems:	<u>3233</u>
b. Potential subscribers:	<u>57367</u>	b. Total Set Top Boxes:	<u>17035</u>
c. Cable Modem subscribers:	<u>*****</u>	i. Analog Boxes Leased:	<u>6368</u>
d. Telephony subscribers:	<u>*****</u>	ii. Hybrid Boxes Leased:	<u>10667</u>
		iii. Digital Boxes Leased:	<u>0</u>

4a. Coaxial Plant Length (Km):	<u>*****</u>	4e. CARS microwave links used:	Yes No
b. Fiber Optic plant length (sheath Km):	<u>*****</u>		<input checked="" type="radio"/> <input type="radio"/>
c. Fiber Optic Nodes:	<u>*****</u>		
i. Subscribers/node:	<u>*****</u>		
d. System is part of a cluster:	Yes No		
	<input type="radio"/> <input checked="" type="radio"/>		
i. Systems in cluster:	<u>4</u>		
ii. Subscribers in cluster:	<u>92202</u>		

Proceed to Section III



Media Bureau - Form 325

Sections I & II

Reference Number: 175743

Physical System Id: 000199 Filing Year: 2003

I. Operator Information

Cable Operator Legal Name: COMCAST OF MARYLAND INC

Mailing Address: 1500 MARKET STREET, PHILADELPIA, PA. 19102

II. General Information

2a. Number of subscribers:	<u>27563</u>	3a. Leased Cable Modems:	<u>5863</u>
b. Potential subscribers:	<u>40006</u>	b. Total Set Top Boxes:	<u>14845</u>
c. Cable Modem subscribers:	<u>*****</u>	i. Analog Boxes Leased:	<u>3123</u>
d. Telephony subscribers:	<u>*****</u>	ii. Hybrid Boxes Leased:	<u>11722</u>
		iii. Digital Boxes Leased:	<u> </u>
4a. Coaxial Plant Length (Km):	<u>*****</u>	4e. CARS microwave links used:	Yes No
b. Fiber Optic plant length (sheath Km):	<u>*****</u>		<input checked="" type="radio"/> <input checked="" type="radio"/>
c. Fiber Optic Nodes:	<u>*****</u>		
i. Subscribers/node:	<u>*****</u>		
d. System is part of a cluster:	Yes No		
	<input checked="" type="radio"/> <input checked="" type="radio"/>		



Media Bureau - Form 325

Sections I & II

Reference Number: 174444

Physical System Id: 009398 Filing Year: 2003

I. Operator Information

Cable Operator Legal Name: COMCAST OF SOUTHEAST PENNSYLVANIA INC
Mailing Address: 1500 MARKET STREET , PHILADELPIA, PA. 19102

II. General Information

2a. Number of subscribers:	40986	3a. Leased Cable Modems:	3233
b. Potential subscribers:	57367	b. Total Set Top Boxes:	17035
c. Cable Modem subscribers:	*****	i. Analog Boxes Leased:	6368
d. Telephony subscribers:	*****	ii. Hybrid Boxes Leased:	10667
		iii. Digital Boxes Leased:	0
4a. Coaxial Plant Length (Km):	*****	4e. CARS microwave links used:	Yes No
b. Fiber Optic plant length (sheath Km):	*****		<input checked="" type="radio"/> <input checked="" type="radio"/>
c. Fiber Optic Nodes:	*****		
i. Subscribers/node:	*****		
d. System is part of a cluster:	Yes No		
	<input checked="" type="radio"/> <input checked="" type="radio"/>		
i. Systems in cluster:	4		
ii. Subscribers in cluster:	92202		

Proceed to Section III

EXHIBIT 8



CABLE TELEVISION ANNUAL REPORT 2004

James D. Brown, Jr., Executive Director • Anthony A. Williams, Mayor

District of Columbia
Office of Cable
Television and
Telecommunications
(OCTT)

WHAT'S NEW IN THE CABLE INDUSTRY

Where we are now... Cable TV in DC

In 1984, the D.C. City Council established the Office of Cable Television and Telecommunications and charged it with the responsibility of regulating and enforcing the city's cable law and its franchise agreements with cable service providers. The District has what is called the "franchise authority" to grant cable systems the right to operate in the city. This right is contained in the applicable franchise agreement, which authorizes the franchisee to serve the city in exchange for the promise to provide certain standards of service and to pay certain fees. For the privilege of serving the city and using public rights-of-way (streets, alleys, underground conduits, etc.), franchise holders pay the District 5% of their gross revenues.

Most cities in the United States are served by only one cable provider. The economics of wiring a community is very high and prevents more companies from coming in to challenge the incumbent provider. The District can boast being one of few cities where head-to-head competition exists; the District is served by both Comcast Cablevision of the District and Starpower Communications LLC. As a result of this competition, city residents benefit from diversity in programming, lower prices, faster delivery of advanced services such as HDTV and digital video recorders, and better customer service than residents in other cities. For example, after Starpower entered the DC market in 1998 and began offering high-speed cable modem service and digital cable services with numerous additional channels, Comcast shortly thereafter in 2001 began to upgrade its facilities in order to remain competitive.

As a result, District residents now access up to 280 to 350 channels, depending on the cable provider. The incumbent franchisee also solved system quality issues in other ways. Comcast's predecessor, AT&T, discovered that in certain areas of the city, certain channels appeared to have another version of the channel looming in the background creating a visual effect called "ghosting". To solve the problem, AT&T moved the problem channels NBC4, Fox5, ABC7 and CBS9 from their traditional channel assignments 4, 5, 7 and 9 to 24, 25, 27 and 29, respectively. Comcast purchased the District system from AT&T in January 2001 and has continued this alignment.

WE'VE COME A LONG WAY BABY

	1986	2003
Franchise Fees:	\$187,500	\$4,250,000
Cable customers:	Several Hundred	130,000
Number of Channels:		
(Starpower)	n/a	up to 298
(Comcast)	48	up to 350
	(District Cablevision)	

Also as a result of robust competition, the District is considered a premiere cable television market and thus city residents have been one of the first in the country to have access to new technologies such as high definition television, video-on-demand and digital video recorders. Comcast and Starpower both offer customers up to twelve high definition stations, including ABC, CBS, NBC, Fox, PBS, ESPN, Showtime, and HBO. Other areas of the country are still awaiting such options. On both District systems, customers can take advantage of video-on-demand options. Comcast offers digital video recorder services and Starpower will add that option soon.

Written by
Jeneba Jalloh Ghatt
Assistant General Counsel

September 30, 2004

Continued on page 3.



From the Director

The cable industry has outdone itself in 2003 with the introduction of expanded services including DSL downloads at incredible speeds, video on demand (VOD) that provides a wide range of options for customers' delight, and picture images that make you feel you can touch the world. We are proud to witness these exciting innovations in the cable

industry. As the industry changes and grows, OCTT takes pride as the regulatory entity that assures the ushering in of additional services and products that benefit the approximately 130,000 (... and growing) cable subscribers in the District. District residents benefit from robust competition in the market in that they are often among the first in line to benefit from new and innovative equipment and services.

In OCTT's 2003 Annual Report, we reported that the number of District residents subscribing to high-speed Internet increased from 2001 to 2002. The numbers continued to rise through 2003, as Comcast completed its upgrade and began competing with Starpower in offering cable modem services to District residents. Approximately 6,400 city residents took advantage of the new high speed internet offered for the first time by Comcast in 2003. Meanwhile, Starpower sustained a 51% increase in high speed internet customers between 2002 and 2003. This rapid increase indicates city residents are taking advantage of new technologies, and we hope that the District will continue to be one of the premiere markets for initial roll-out and deployment of new services and products as they become available in the coming years.

Finally, in keeping with the theme of "changes", OCTT has also moved from its headquarters location at 2217 14th Street NW, where City Cable channels 13 and 16 have originated for approximately fifteen years. In September 2004, the office relocated to office and television production space at 3007 Tilden Street, NW. Technology is constantly changing within the audio, video and broadcast markets which present a unique challenge to OCTT. We have been able to meet that challenge by working directly with manufacturers and their technical representatives to plan our new facility.

The new site will accommodate the growing television production needs of City Cable 13 and 16, permit the channels' access to newer technologies to better serve city residents, allow the agency to better regulate the growing cable television industry in the District and continue to permit our consumer services team to handle your inquiries regarding cable television. We are here to serve you. You can still reach us at our popular website address, www.octt.dc.gov, or by calling 202-671-0066.

Again this year, our programming offerings through city Cable 13 and 16 have been recognized by several competitions. These awards are detailed in the programming section of this report. Also, in this annual report, we provide updates and reports regarding OCTT's regulation of cable television in the District, its enforcement of District and federal cable laws and regulations, and its management and operation of City Cable 13 and 16. I hope you enjoy reading it.

A CABLE FRANCHISE UPDATE

**HOT OFF THE
PRESSES:**

The city is one step closer to adopting a long-term franchise agreement between it and the second provider of multi-channel video programming (cable television) in the city, Starpower Communications. Starpower entered the District market in 1998 and currently provides cable television service to approximately 33,000 District households, compared to 100,000 for Comcast. Starpower was also the city's first provider of high-speed cable modem service and by the end of 2003, provided cable modem service to approximately 15,000 District households.

A lot has gone on since the city revamped its cable laws in 2002 and adopted the Cable Television Reform Amendment Act of 2002. As reported last year, the City formally renewed Comcast's franchise in October 2002 for ten years pursuant to a new cable franchise agreement. The next step in the process to ensuring stable competition was negotiating a similar agreement with Starpower, which has been serving the city based on an interim agreement since 1998. Over the past eighteen months, OCTT has been busy negotiating a franchise agreement to submit to the Council and preparing for Council approval of the Starpower franchise. The franchise agreement includes similar terms as the Comcast franchise agreement, with Starpower obligations to pay franchise fees to the District, to provide financial support for the District's public, educational, and government channels, including the Public Access Corporation, and to provide certain levels of customer service to District residents. Starpower provides service to approximately eighty percent of District residents and due to economic restraints, Starpower cannot commit to buildout obligations during their franchise term. The proposed franchise is only a five-year franchise rather than ten years as was granted to Comcast in 2002.

In May 2004, the City Council's Committee on Economic Development held an informative public hearing regarding the proposed franchise, complete with testimony from OCTT, Starpower, Comcast, consumer groups, and the public. On July 13, 2004, the committee voted 4-0 to approve the Starpower Communications, LLC's Open Video System Franchise Act of 2004. The full Council will consider the act and franchise in fall 2004.

FRANCHISE

"What's New..." Continued from page 1.

Today, Comcast and Starpower each currently hold non-exclusive franchises to serve the entire city. Starpower is available to approximately 80% of District residents, and is for the most part unavailable to residents living in the "fire zone" area of the District, a part of the city where Starpower cannot legally install aerial facilities (all or parts of the following neighborhoods: Adams Morgan, Capitol Hill, Columbia Heights, Dupont Circle, Eckington, Foggy Bottom, Georgetown, Le Droit Park, Mount Pleasant, Shaw, Southwest, Trinidad, and Woodley Park).

In 2003, Starpower served approximately 33,000 District residents and Comcast served approximately 100,000. The District looks forward to even more competition in the cable television landscape. Should other cable television providers wish to offer services in the District, the city is open and willing to negotiate separate competitive franchise agreements with such providers.

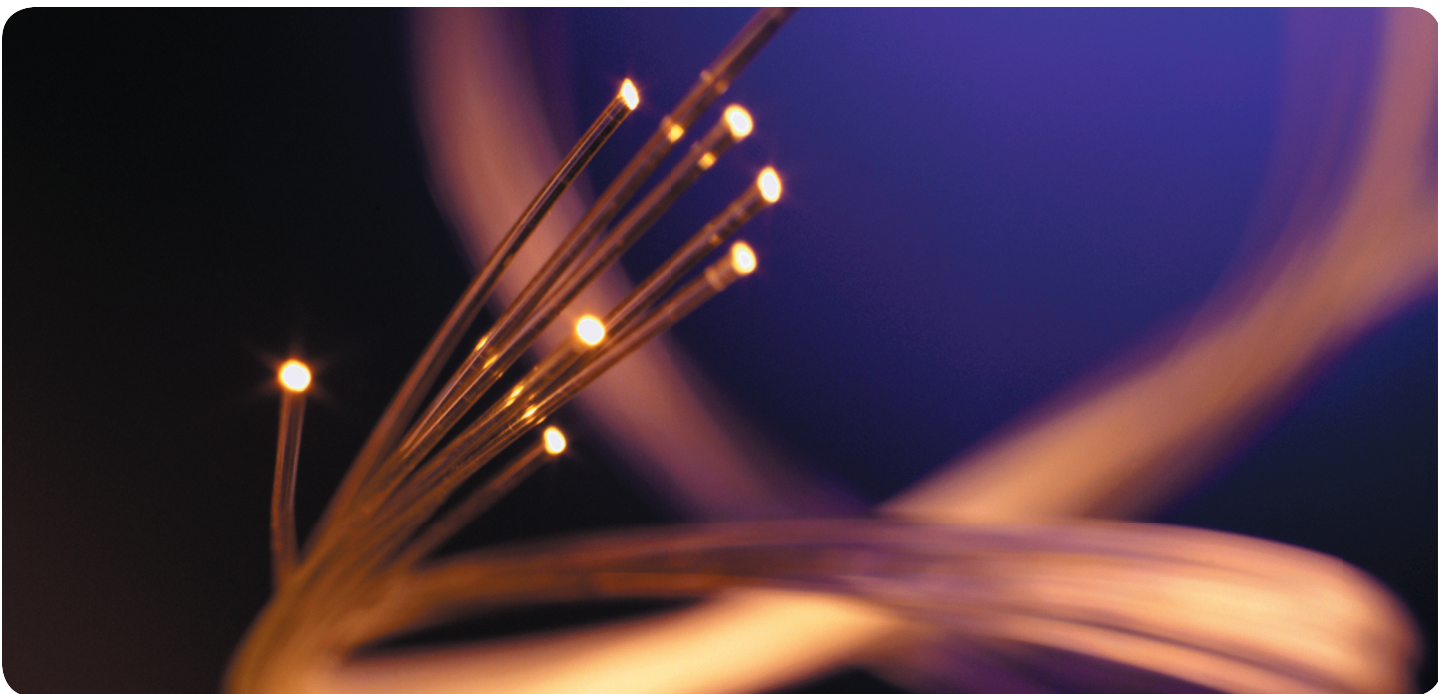
Where we are heading...

The city has come far from its early days when far fewer residents received cable television in their homes and there were far less programming choices, services and options. Hopefully, more competition is looming ahead in the future, especially given a recent trend where cable and telephone companies are mixing business models and getting into each other's traditional markets. Cable companies are starting to get into the telephone business and offer services traditionally only available from telephone companies and vice versa.

Starpower already offers phone service to District residents. Comcast is making steps to roll out phone service to its customers nationwide. Ahead on the horizon, a different kind of phone service, using the Internet rather than the tradi-

tional public telephone system, is slowly becoming available through more cable companies. Comcast is gradually rolling out a technology called voice-over-Internet telephony (or VOIP), which turns voice calls into digital packets for dispatch over the Internet. With VOIP, Internet telephony customers may benefit from a less expensive service compared to that offered today by the traditional telephone companies. Because the technology is in its early stages, cable companies are now only offering them to certain test areas. Comcast, for example first tested its VOIP service in suburban Philadelphia, but recently expanded to include Indianapolis and Springfield, Massachusetts. Time Warner Cable has been offering VOIP service to residential users in North Carolina and parts of Maine. Eventually, more companies will be able to sell cable television, telephone service and broadband connections in one bill, and we hope that the competition will continue to result in lower prices, more options and flexibility and increased customer service.

Telephone companies are responding to the competitive threat of cable companies and other technology companies penetrating their market by announcing their own plans to offer cable-like multichannel video services. If Verizon and other traditional telephone companies indeed start offering the service, it is possible that they may operate as an open video system (OVS) operator, which is a method similar to traditional cable but different only in that federal law mandates that it be regulated differently. Starpower currently offers its service as an OVS. Telephone companies are pursuing other strategies for offering video services. They have been partnering with direct broadcast satellite (DBS) operators, offering video services over DSL networks, and constructing fiber networks to customer premises, known as fiber-to-the-premises (FTTP).



CABLE INSPECTOR REPORT

DC's First Cable Inspector: *The inspector is a member of OCTT's regulatory staff who monitors cable operators in the District to ensure compliance with various regulations, codes and the obligations contained in the franchise agreements the District has with Starpower Communications and Comcast.*

It's been a busy year for OCTT's cable inspector. Since the office hired its first cable inspector in late 2002, OCTT has been better able to respond to resident complaints regarding the maintenance of cable wires and other facilities in the District.



Cable Inspector Mabel Gist investigates a down wire.

The process of tracking down violations

Over the past year, OCTT has taken calls from residents reporting irregular activities by cable construction workers or technicians, dangling cable wires or other irregularities. Other times, a council member or member of the mayor's office staff calls OCTT to follow up a call he or she may have received from a constituent. Many times, the inspector discovers problems during routine rounds touring the city looking for potential hazards and violations. Nonetheless, when a problem is initiated by an outside caller, the inspector is dispatched to investigate and document the scope of the problem, which may include taking a picture and documenting other circumstances regarding the issue. OCTT's cable inspector then contacts the offending cable provider and notifies the company of the immediacy of the problem and the need to correct the infraction. OCTT follows through with the operator until the problem is resolved and re-surveys the problem to ensure successful remediation.

All violations are captured in an OCTT database that includes photos of all violations found, identification and explanation of each type of violation and the location of all violations by street address.

Recently, OCTT acquired equipment which identifies and measures leakage due to cable theft, improper installations and poor connections that could result in picture quality problems. Using this equipment, the inspector can evaluate the performance of the cable system and to ensure compliance with FCC technical standards for signal leakage (FCC 76.605 (a)(12)).

Even though OCTT has the authority to impose fines if an operator fails to cure a violation, it has not had to wield such power in many cases because the operators have generally been responsive in correcting problems in a timely manner. In 2003, the inspector investigated and followed up on over 300 technical problems. Without a cable inspector, a local franchising authority such as OCTT would not be able to survey and follow up on so many technical issues so quickly. Having a full-time cable inspector on board has allowed OCTT to ensure prompt remediation of technical system issues and thus work towards a cleaner city and better cable service for all District residents.

The inspector ensures that cable companies are complying with certain regulatory codes, including...

CODES	PURPOSE
The National Electrical Safety Code	The industry-accepted safety standard for overhead and underground electric utility and communications utility installations
National Electrical Code	A nationally recognized safety standard for the design, construction and maintenance of electrical circuits
Bellcore Blue Book	Manual of construction procedures

DEFINING THE TYPES OF VIOLATIONS

Construction Violations

Construction violations accounted for 27.6% of all 2003 violations, or 89 citations. These violations include problems with guying and lashing. Lashing is a wire wrapping that tightens and holds the cables together and prevents them from sagging and falling to the ground. The guy wires help support the utility poles bear the weight of the plant (the collection of cables attached to utility wires along the streets).

Subscriber Drop Violations (Down or Low)

Subscriber drop violations accounted for 54.4% of all 2003 violations, or 175 citations. Drop related problems include cable lines exposed and disconnected above ground that must be repaired. These violations also include cables not properly connected to a utility pole or the house or building onto which the cables are affixed. Many of the violations involved cases where coils of leftover unused cable were left lying at the base of the pole rather than removed. The extra coils create a safety hazard. In addition, low or down cable drops often cause neighborhood concern. Down power lines obviously create a safety concern and since utility poles usually carry power, telephone and cable lines, the public often cannot determine which type of line is down.

Other Plant Issues

Other plant issues accounted for 4.7% of all 2003 violations, or 15 citations. These issues included instances of cable installation on private property, public utility easement issues and rights-of-way issues. Generally, residents reporting these types of problems have concerns over the authority of the cable operator to have its equipment and wires on or near their homes or property.

Non – Cable Issues

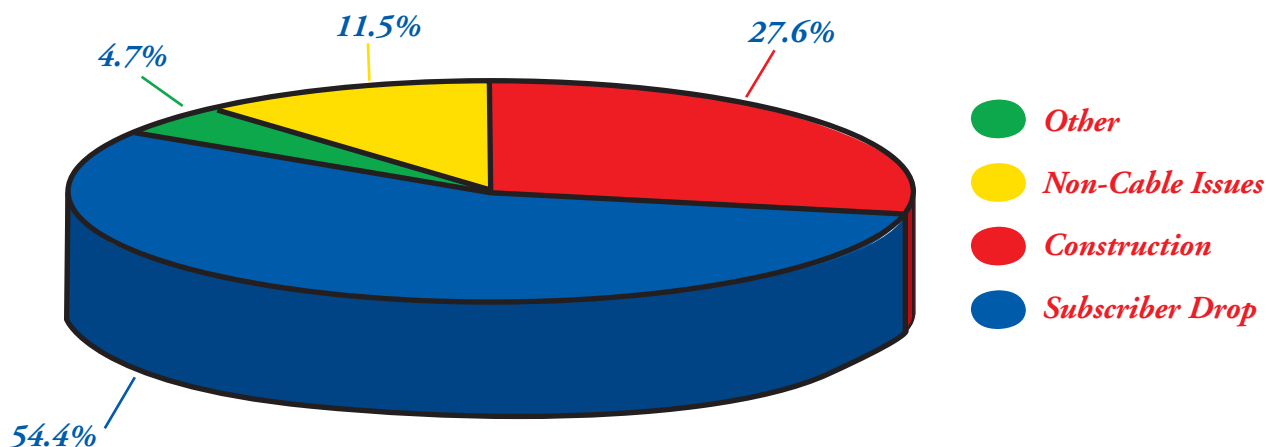
Non – cable issues accounted for 11.5% of all 2003 violations, or 37 citations. These issues are not considered cable violations but could affect the performance of the cable system. There were many cases of trees that had not been properly maintained by the District or private homeowners. Generally, tree limbs or whole sections of trees had grown out of proportion and encroached upon the cable lines, causing additional stress to cable lines not designed to support such additional weight. Without correction, the lines could become damaged, break or even lead to outages. Non-cable issues also include instances in which upon inspection, it is discovered that the wires or cables at issue actually do not belong to Starpower or Comcast but instead to another utility or governmental entity, such as Verizon, PEPCO or the D.C. Department of Transportation. OCTT, of course, forwards these issues along to the proper party for resolution.

TABLE 1

This table summarizes the types of violations investigated and the total number of each type of violation in 2003 by OCTT, including some that have been identified as belonging to other utilities, such as Pepco and Verizon.

2003 Inspections

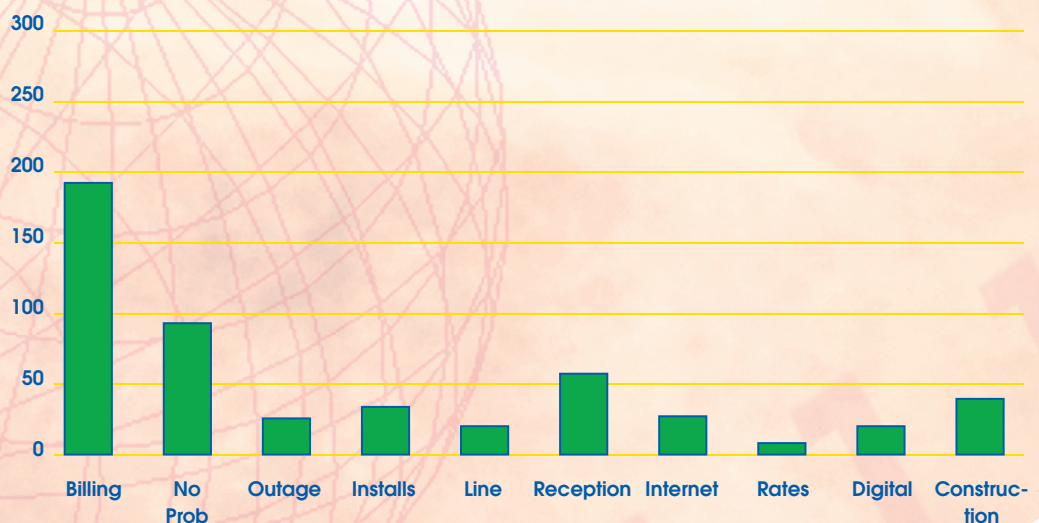
Type of Violation	Number
Down Drop	131
Construction Violations	89
Low Drop	44
Non Cable Issue	37
Other Plant Issues	15
Total	316



Did you Know...

- ✓ you have a right to a service or installation window of NO MORE than FOUR hours?
- ✓ you are entitled to have your cable installed within SEVEN DAYS of placing an order?
- ✓ your cable provider must notify you of any scheduled interruption of service at least 48 hours in advance?
- ✓ you can send a complaint about your cable service to OCTT through our website, www.octt.dc.gov, and you can even send it in Spanish?
- ✓ if your cable company arrives late or not at all to complete a service installation or upgrade, the cost of the installation is free?
- ✓ if you speak Spanish, you have the right to speak to a Spanish-speaking service representative of your cable operator?
- ✓ City Cable 13 and 16 are provided exclusively to District cable subscribers? You can receive City Cable 13 and 16 via Comcast or Starpower in the District, but not in surrounding communities via cable television, and not on satellite operators DirecTV or the DishNetwork even if you live in the District.
- ✓ senior citizens who subscribe to expanded basic cable service through Comcast are eligible for a \$2.75 discount per month?
- ✓ you can view D.C. city council meetings and hearings on City Cable 16, via www.octt.dc.gov in real-time or on-demand for previously-aired hearings, or by ordering a specific meeting or hearing tape at OCTT's website?
- ✓ Comcast and Starpower have special hiring and apprenticeship programs for DC residents?
- ✓ District cable customers were among the first to receive high-definition television channels and now are among the earliest recipients of DVR's (digital video recorders)?
- ✓ OCTT mediates disputes and problems involving your cable bill, service charges, late fees, automatic billing and more?
- ✓ Comcast's upgrade of its District cable plant, originally built in the mid 1980's, is nearly complete, resulting in approximately 76 analog channels, a digital cable tier of over 200 channels, numerous HDTV channels, and high-speed cable modem service?
- ✓ the District is one of the nation's leading examples of head-to-head cable competition, with Comcast (100,000 customers) and Starpower Communications (33,000) splitting the District cable population?
- ✓ District of Columbia residents enjoy a luxury witnessed by few municipalities – not one, not two, but three choices for broadband: Comcast high-speed Internet, Starpower high-speed Internet and Verizon DSL?
- ✓ OCTT generated approximately \$21,000 in refunds for District Comcast customers as a result of the agency's annual analysis and review of Comcast's rates for basic service and equipment?
- ✓ OCTT's audit of franchise fees paid by Comcast to the District during 2002 and 2003 resulted in an additional Comcast payment to the District of approximately \$63,000 in December 2003?
- ✓ if better reception is your main reason for subscribing to cable television, you have a right to insist upon receiving only the low-cost BASIC tier, which includes, among others, the broadcast channels and the public, educational, and governmental channels, for approximately \$13 from Comcast?
- ✓ in 2003, OCTT handled 599 consumer service complaints regarding Comcast and Starpower and 316 technical cable inspector issues?

CUSTOMER COMPLAINTS RECEIVED BY OCTT IN 2003



ALL ABOUT PEG

What is PEG access?

PEG stands for public, educational and governmental cable television channels. In cities and counties around the country, including the District, local cable television operators, but not satellite operators such as DirecTV and the Dish Network, transmit anywhere from one to ten or twenty PEG channels. PEG access television channels serve a wide range of individuals, institutions, associations, community groups and municipalities, both directly and indirectly, including cities and counties, organized public access television groups, the Lions, Kiwanis and Rotary Clubs, the League of Women Voters, NAACP, AARP, the Urban League, public schools, local chambers of commerce, religious institutions, colleges, universities, community theatre groups, labor unions, veterans groups, second language communities, the disabled, politicians, and political organizations. See Alliance for Community Media's home page, www.alliancecm.org, for more detailed information.

Who created PEG access?

Congress passed a law, the 1984 Cable Act, which included provisions permitting local governments to require PEG access and support in their franchise agreements with cable television franchisees. Congress did so to ensure that large media companies could not control all of the programming seen on cable television and to provide an opportunity for local community representatives to have a voice on their local cable systems.

It has been stated that requiring cable operators to provide capacity on their systems to accommodate PEG stations is partial compensation for the cable companies' use of public rights-of-way (streets, highways, parks, and other government-owned property) to place their cable infrastructure and provide their services to residents.

How many PEG stations are currently available in DC?

Currently, District cable customers can access six PEG channels on the Starpower and Comcast systems as part of the basic services offered by both operators. D.C. government's Office of Cable Television and Telecommunications (City Cable 13 and City Cable 16), the Public Access Corporation (public access channels Comcast 5 and 6 or Starpower 10 and 11), the D.C. Public Schools (DCPS TV 28; Channel 18 on the Starpower system), and the University of the District of Columbia (UDC TV 19) operate PEG channels in the District.

What are PEG Access Fees?

PEG access fees are fees imposed on the cable operators by the District government for capital support of the District's

PEG channels. Comcast and Starpower elect to pass this fee along to subscribers as a separate itemized amount on their monthly cable bills.

Is there capacity for more PEG stations?

In the Comcast franchise agreement approved by the Council in 2002 and the Starpower franchise agreement currently before the Council, there are provisions which require Comcast and Starpower to provide the District with two additional PEG analog (basic) channels and numerous PEG digital channels. In 2003, OCTT proposed and the City Council approved regulations and procedures for applications regarding, and allocation of, these additional PEG channels. We look forward to the launch of these additional channels in the coming years.

PEG ACCESS CHANNELS		
	Comcast	Starpower
UDC	19	19
D.C. Public Schools	28	18
Public Access (DCTV1)	5	10
Public Access (DCTV2)	6	11
City Cable 13	13	13
City Cable 16	16	16

Can District residents put on their own PEG programming?

Yes. The Public Access Corporation of the District of Columbia (DCTV; 202-526-7007) provides access to the city's cable television systems to individuals, organizations, and businesses that need and seek a forum for public expression, community information, and public debate. At its state-of-the-art digital facility at historic Brooks Mansion, 901 Newton Street, NE, Washington, D.C., the Public Access Corporation offers training and access to three studios, editing, and field production equipment, and production services. Programming is cablecast to all District cable subscribers via the Public Access Corporation's two cable channels.

Where can I find the PEG stations on my cable television?

Please note that the District's PEG channels are only offered on the Comcast and Starpower systems in the District of Columbia. Local municipalities do not regulate satellite TV operators, such as DirecTV and the Dish Network, and cannot require them to offer the PEG channels.

WHAT'S OLD AND NEW

Part of our mission at OCTT is to educate the public on the benefits and uses of cable television. Below is a listing of what's hot and not in the cable industry today.

What's Old

Pay-Per-View

A service that offers movies and events that you can watch at specific times for an additional charge. Pay-Per-View movies and programs are available on several channels operating 24 hours a day. The cost of the movies varies and ordering usually requires a customer to call a specified number or order using a digital remote (if the customer has digital service). The customer then tunes into the specified channel at a scheduled time.

Cable Boxes

Cable Boxes, or converters, operate like mini-computers in the subscriber's home. The boxes sit ontop of the television set and need a separate remote other than the one that comes with the television set. They help to ensure that only customers paying for certain services, such as Showtime or HBO or certain tiers of service such as digital channels, are receiving them. These boxes have become obsolete recently with the invention of "cable ready" television sets a few years ago, whereby cable customers need only plug in the cable wire to the back of the television and access the cable channels using the standard remote that came with their television set.

Dial-up Internet

The traditional method of accessing the Internet using a modem linking the computer and the telephone lines. To access the internet using this method, customers needed to sign up for a separate service from an internet service provider, in addition to purchasing a modem. Customers connected to the Internet by "calling it up" on the telephone via a modem at each end of the telephone circuit. Dial-up speed is typically 56,000 bits-per-second (56kbps). Because of this speed which is not particularly fast, users found it took lots of time to download image files, software, music files or anything else that required lots of memory.

Basic Cable Service

Primary level or levels of cable service offered for subscription. Basic cable offerings may include retransmitted broadcast signals as well as local and access programming. In addition, regional and national cable network programming

What's New

Video on Demand (VOD)

A service whereby customers can order a particular movie or program and then play, pause, fast-forward and rewind programs just like with a VCR during the "rental" period. It eliminates the need to go to the video store and check out a tape. Subscribers can order programs via video-on-demand at any time and for long "rental" periods, unlike pay-per-view programs, which are offered at specific times and only for the duration of the program.

Cable Cards

Credit card-sized devices that can be plugged into slots on new television sets for access to encrypted digital programming. As of July 2004, federal law requires that at least half of all televisions produced that are 36 inches or larger will have to include digital tuners and slots for cable cards. The cards will be offered at a nominal fee by cable companies and will contain all the information related to the cable services for which you subscribe. In addition to eliminating clunky set-top boxes, the cable card technology is meant to help bolster television sales and motivate consumers to sign up for digital services. Currently, the cards are only one-way, but cable operators and electronics manufacturers are currently working towards developing two-way cards.

Broadband High Speed Internet

"Broadband" refers to a specific form of high-speed Internet access. It allows customers to both receive and send data at super-fast speeds and never ties up the phone line. No more busy signals or unexpected disconnects. Broadband Internet service is high-speed. Cable modem Internet service is delivered through the same coaxial cable that delivers your cable television service. Nearly 60 percent of all U.S. homes receiving broadband get it from their cable television provider, while the rest of the country use digital subscriber lines (DSL) connections from telephone companies. DSL services generally max out at 1.5 mbps (mega-bits per second), while Comcast Internet access speed is 3 mbps and Starpower offers speeds up to 7 mbps.

Digital Cable

Digital Cable is an expanded level of cable service which offers customers more programming choices and better picture and sound quality. In addition, customers are able to navigate the over 150 channels using a multi-function

may be provided. For instance, Comcast's basic cable service tier includes both the broadcast channels (i.e., channels NBC4, FOX5, ABC7, CBS9, UPN20, etc.) and the PEG channels and consists of approximately thirty channels in all.

remote control and on-screen guides. Digital cable comes at a much higher cost than basic cable. Cable companies offer additional layers or tiers of digital cable which may include packages of similar programming like music, cooking, home design, etc.

Video Cassette Recorder (VCR)

Traditional method of recording and viewing television programming using a VHS cassette. Typically, only one channel could be recorded at a time on one channel. Those who used this method of recording their favorite television shows usually amassed a collection of tapes. The quality of the recording would degrade each time the tapes were re-used. There was no seamless way of skipping over commercials if the taping was done while the viewer was not at home.

Digital Video Recorders (DVR)

Unlike a VCR, this device permits users to record images and video digitally and the image quality remains the same no matter how many times the image is copied over. These devices are more precise when it comes to timing the copying of a program and users can copy multiple programs over multiple channels. In addition, a DVR often saves video to a buffer, which enables viewers to skip commercials, pause, fast forward and rewind a live broadcast or replay video from the buffer.

Paper billing

Process of getting a cable bill in the mail, writing a check payment and sending the bill back in the mail.

On-line bill payment

Method of payment whereby customers receive electronic versions and pay also using electronic payment methods.

Basic remote control

Basic device which sent infrared signals to the television set for purposes of changing channels. Traditionally, each device (e.g. TV, VCR, DVD player) required its own remote control. These could not be used for interacting with the device other than sending one way signals.

Multi-function remote controls

Combination remote controls that permit users to control cable, television, DVD players, and VCR's from one device and to communicate interactively with the cable company for ordering pay-per-view or video on demand services.

Traditional Parental Controls

Send the kids to their rooms or disconnect the cable box and lock it in a cabinet when you go out.

Digital Parental Control

Cable TV converters have a feature that permits parents to lock out certain channels.

Analog and Digital Programming

Analog programming is the traditional method for cable companies to transmit television signals via coaxial cables to you and others in your neighborhood. Television video information transmitted through analog uses a continuous signal. It usually takes more space and is dedicated, as opposed to discrete quantities of signals used in digital transmission. Digital programming is a method by which cable companies transmit programming to customers using digital compression technology, but does not involve any difference in the quality of the signal received by the viewer.

High Definition Television (HDTV)

Advanced high quality television through provision of up to 1080 lines of horizontal resolution versus 480 for a regular television set. These additional lines make the picture six times as sharp and result in a noticeable quality difference. To get HDTV channels, you will need a television capable of displaying 1080i or 720 p formats and a set-top box from your cable provider to process and output the HDTV signals.

Both Starpower and Comcast offer broadcast channels CBS, NBC, ABC and PBS, as well as HBO and Showtime, in high definition format. Both companies require customers to pay a monthly fee for a converter box containing an HDTV tuner and offer a tier of HD channels including ESPN and Comcast SportsNet that can be purchased as a package.

PROGRAMMING HIGHLIGHTS

It has been another successful year for City Cable 13 and Cable 16! Throughout the year, City Cable 13 has continued its practice of providing live gavel-to-gavel coverage of all activities of the D.C. City Council and its various committees, including recorded coverage in the case of overlapping meetings. In 2003, City Cable 16 continued showcasing its line-up of informative, creative programming focused on education, housing, healthcare, the environment, economic development, and arts and entertainment in the District. And of course viewers can also watch all OCTT program, both live and on-demand, at our agency website www.octt.dc.gov.

The programming team at OCTT is always looking for ways to grow and improve upon our quality programming. As a result, viewers may have noticed new additions and changes to the City Cable 16 line-up. Two new programs were introduced: WDC Boxing and DC Chamber Chat. Meanwhile, City Line has recently changed formats to focus on the city's effort to crack down on crime in the District. So far, viewers have given thumbs up to the new additions.

OCTT has gotten positive feedback from viewers who have watched WDC Boxing, an action-packed, hour-long sports program that showcases some of the most talented up-and-coming boxers from the District and beyond. The show features both men's and women's boxing in the District, from flyweight to heavyweight.

Similarly, DC Chamber Chat is also creating a buzz among members of the city's business community. The host of the show is DC Chamber of Commerce President and CEO Barbara Lang, who interviews guests and provides insight on a variety of issues impacting business in the District. This 30-minute round-table show informs the community of important issues impacting local residents, businesses, and visitors. In addition, each show highlights certain Chamber members who are promoting business in the District.

OCTT anticipates a positive response to new episodes of City Line which began in early September 2004. The newly reformatted City Line will explore the District's "hot spot" problem areas and what the District government, community leaders and ordinary citizens are doing to transform them. The stories covered in this show delve deeper than the level of coverage crime reports receive on the evening news and in the metro pages of our local newspapers. City Line's inspiring new episodes spotlight not only the challenges, but also the plans, progress and solutions that go unreported in the media.

DC viewers aren't the only ones taking note of City Cable 16's programming.

OCTT was again recognized in six award categories at the 18th annual Government Programming Awards presented by the National Association of Telecommunications Officials and Advisors ("NATOA") this past September 2004.

OCTT's productions of "WDC Boxing Open" and "Capital Cinema" placed first in the visual arts and community awareness programming award categories, respectively. In addition, the District's City Cable 16 received an honorable mention award in NATOA's most prestigious award category, the overall Excellence in Government Programming award for large municipalities.

Furthermore, the District's City Cable 13 and 16 received the following awards in several other categories:

"WDC Boxing" (Category: Sports)

"Walter Washington: Champion of Democracy" (Category: Documentary - Social Issues)

"Your DC Today: 2003 Fed Cup" (Category: Documentary - Event Coverage)

"WDC Boxing Promo" (Category: Event Promotion)

"Be Ready DC" (Category: Promotional Video Campaign)

"Council Hearing" (Category: Public Community Meetings)

OCTT also received two awards of distinction in the 2004 Videographer Awards Competition, an international awards program directed by communications professionals to honor excellence in video production. OCTT's InStyle Washington: Music Makers episode and the City Line: Sickle Cell program were both honored in the competition.

Finally, OCTT recently won two categories in the 2004 Hometown Video Festival presented by the Alliance for Community Media. The Hometown Video Festival honors and promotes community media and local cable programs that are first distributed on public, educational and government access cable television channels. A documentary special about the historic U Street neighborhood of Washington called Remembering U won in the Local Performances category and the episode of Your DC Today that covered the 2003 Fed Cup tennis tournament won in the Sports Entertainment categories.



ASK THE MAYOR

See the best radio on television! DC Residents call in live to WTOP Radio's monthly program, *Ask the Mayor*. What you hear is what you get - live and unedited! Topics include the school board, the control board, and everything in between. The televised radio show is hosted by WTOP's Bruce Alan, features a rotation of esteemed journalists from the region, and is televised exclusively on Channel 16.



HEALTH MATTERS

Health Matters is a thirty-minute show devoted to educating District residents about important health issues, and more importantly, how to prevent and control disease. A nutritionist, Dr. Rovenia Brock, hosts the show.



CITYLINE

Discover how D.C. is cracking down on crime in our communities on City Cable 16's *City Line*. Tune in each month as the show explores the District's *hot spots* and what government agencies, community leaders and ordinary citizens are doing to transform them. *City Line*'s inspiring new episodes spotlight not only the challenges, but also the plans, progress and solutions that go unreported in the media.



DC IN ACTION

Programs focus on the top events and stories of D.C. Features include everything from politics to the arts. From the revitalization of East of the River and the digital divide, to improved DMV customer service, watch *DC in Action* for Mayor Anthony Williams' plan to tackle the issues. *DC in Action* airs regularly throughout the day on Channel 16.



ASK THE CHIEF

Much like *Ask the Mayor*, this monthly call-in show features Police Chief Charles Ramsey as he answers the concerns of DC residents regarding crime and public safety on WTOP Radio. Previous episodes include discussions about crime, relations between police and the community, and solutions to traffic headaches in the District. This radio talk show is televised exclusively on Channel 16.



REPORTER'S ROUNDTABLE

Tune in to *Reporter's Roundtable* for in-depth discussions by some of Washington's most respected journalists. Hosted by Denise Rolark Barnes of *The Washington Informer*, the show tackles the top news items affecting District residents. Viewers will hear issues addressed from every perspective by panelists like Hamil Harris of *The Washington Post* and Deborah Simmons of *The Washington Times*. The show takes you beyond the local headlines as these journalists debate what's in the news and how it will impact DC residents.



CAPITAL CINEMA

Lights, camera, action! Find out on *Capital Cinema* why Washington is playing a starring role in Hollywood filmmaking. Host Ferman Patterson gives viewers a behind the scenes look at why the District is a multi-million dollar cinema city. Each month *Capital Cinema* covers major studio films and TV programs produced in Washington and spotlights the work of local independent filmmakers, talent, crew and production services in the city. This new program provides a fascinating look at how you can break into the business with advice from directors, producers and various industry representatives.



IN STYLE WASHINGTON

With style, elegance and sophistication, hostess Gwendolyn Russell gives City Cable 16 viewers the ultimate tour of Washington's finest hotels, restaurants, boutiques and events. Tune into *In Style Washington* for your very own passport to impeccable service, luxurious accommodations and exquisite cuisine. You also don't want to miss any of the famous faces and glamorous places featured in each exciting episode of *In Style Washington*.

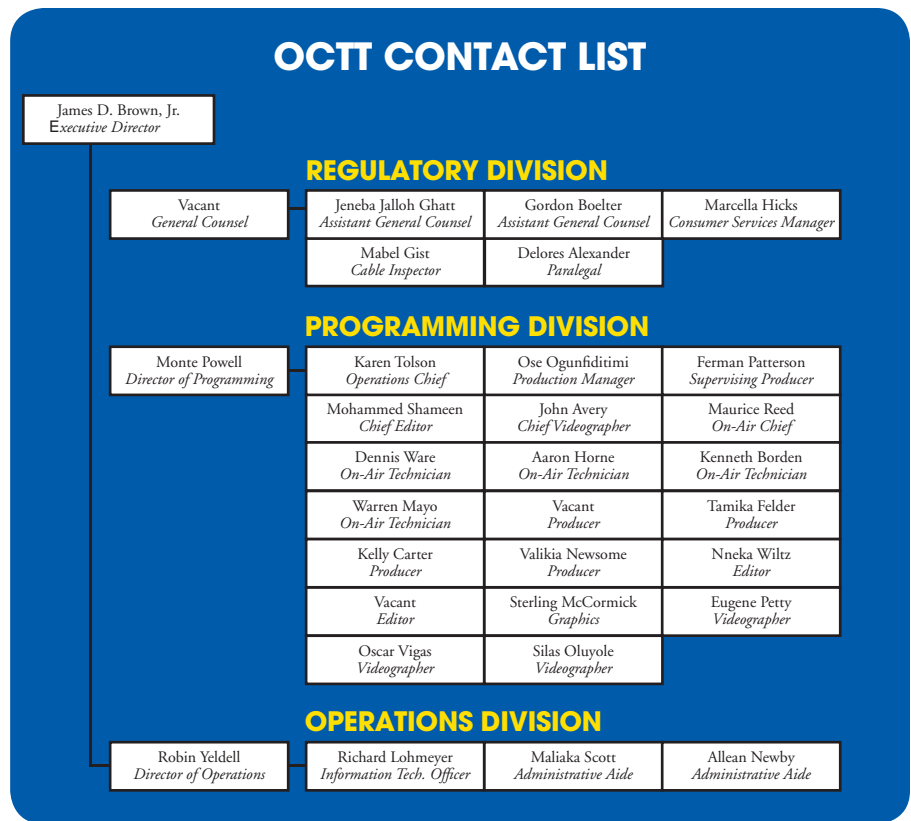


**GOVERNMENT OF THE
DISTRICT OF COLUMBIA
OFFICE OF CABLE TELEVISION
AND TELECOMMUNICATIONS**

**3007 TILDEN STREET, NW
WASHINGTON, DC 20008**

202-671-0066

WWW.OCTT.DC.GOV



CONSUMER'S BILL OF RIGHTS

As a District cable television consumer, you have the following rights:

- Consumers are entitled to receive high-quality cable television service, including a clear picture and programming that meets consumer needs.
- Consumers should expect to be notified at least 48 hours in advance of any scheduled interruption of cable television service.
- Consumers have the right to receive dependable service, free of unnecessary outages. Consumers shall be credited one-day's worth of service upon request for any service outage over 4 hours, and automatically for any outage over 12 hours.
- Consumers are entitled to receive at least 30 days notice prior to any changes in programming, channel line-up, rates or terms of service.
- Consumers have the right to speak with a customer service representative by telephone within a reasonable amount of time or in person and receive courteous, professional and knowledgeable assistance from such representative.
- Consistent with applicable law, consumers are entitled to request and to receive an appointment within 7 days of ordering service for a standard installation or upgrade of services.
- Consumers are entitled to the prompt repair of service interruption or television reception problems. Total loss of picture shall be repaired within 24 hours of a consumer's notification to a cable operator. All other reception problems must be repaired within 48 hours of consumer's request.
- Consumers are entitled to schedule service appointments to occur within a reasonable period of the day and not to exceed a 4-hour appointment window.
- Consumers have the right to an accurate monthly bill that contains all pertinent information including: payment due date, an itemized listing of all charges and fees and the late fee assessment date.
- Consumers have the right to disconnect service at no charge, except for the payment of any outstanding account balance.
- Consumers are entitled to have appointments honored by the cable operator. An appointment may not be cancelled by the cable operator after close-of-business of the day prior to the appointment without reasonable attempts to contact the consumer on location.
- Consumers are entitled to receive a copy of the work order describing all work performed during an appointment.
- Spanish-speaking consumers have the right at all times to speak to a Spanish-speaking service representative.



Media Bureau - Form 325

Sections I & II

Reference Number: 171009

Physical System Id: 020191 Filing Year: 2003

I. Operator Information

Cable Operator Legal Name: STARPOWER COMMUNICATIONS, LLC D/B/A RCN
Mailing Address: 105 CARNEGIE CENTER, PRINCETON, NJ. 08540

II. General Information

2a. Number of subscribers:	<u>39927</u>	3a. Leased Cable Modems:	<u>21083</u>
b. Potential subscribers:	<u>175884</u>	b. Total Set Top Boxes:	<u>43841</u>
c. Cable Modem subscribers:	<u>20554</u>	i. Analog Boxes Leased:	<u>0</u>
d. Telephony subscribers:	<u>27479</u>	ii. Hybrid Boxes Leased:	<u>0</u>
		iii. Digital Boxes Leased:	<u>43841</u>
4a. Coaxial Plant Length (Km):	<u>1591</u>	4e. CARS microwave links used:	Yes No
b. Fiber Optic plant length (sheath Km):	<u>1651</u>		<input checked="" type="radio"/> <input checked="" type="radio"/>
c. Fiber Optic Nodes:	<u>1605</u>		
i. Subscribers/node:	<u>23</u>		
d. System is part of a cluster:	Yes No		<input checked="" type="radio"/> <input checked="" type="radio"/>

EXHIBIT 9

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Annual Assessment of the Status of Competition)	MB Docket No. 04-227
in the Market for the Delivery of Video)	
Programming)	

ELEVENTH ANNUAL REPORT

Adopted: January 14, 2005

Released: February 4, 2005

By the Commission: Chairman Powell issuing a statement; Commissioners Copps and Adelstein concurring and issuing a joint statement.

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APPENDICES

- Appendix A List of Commenters
- Appendix B Horizontal Issues Tables
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I. INTRODUCTION

1. This is the Commission's eleventh annual report (*2004 Report*) to Congress on the status of competition in the market for the delivery of video programming.¹ Section 628(g) of the Communications Act of 1934, as amended (Communications Act), requires the Commission to report annually to Congress on the status of competition in the market for the delivery of video programming.² Congress imposed this annual reporting requirement in the Cable Television Consumer Protection and Competition Act of 1992 (1992 Cable Act)³ as a means of obtaining information on the competitive status of the market for the delivery of video programming.

A. Scope of this Report

2. We report on trends in the market and on the factors that have facilitated or impeded changes in the competitive environment over the past year. Further, we offer information and analysis regarding changes in the market since the *2003 Report*, and we describe how those changes affect the current state of the market. The information and analysis provided in this *Report* are based on publicly available data, filings in various Commission proceedings, and information submitted by commenters in response to a

¹ The Commission's previous reports appear at: *Implementation of Section 19 of the 1992 Cable Act (Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming)*, 1994 *Report*, 9 FCC Rcd 7442 (1994); 1995 *Report*, 11 FCC Rcd 2060 (1996); 1996 *Report*, 12 FCC Rcd 4358 (1997); 1997 *Report*, 13 FCC Rcd 1034 (1998); 1998 *Report*, 13 FCC Rcd 24284 (1998); 1999 *Report*, 15 FCC Rcd 978 (2000); 2000 *Report*, 16 FCC Rcd 6005 (2001); 2001 *Report*, 17 FCC Rcd 1244 (2002); 2002 *Report*, 17 FCC Rcd 26901 (2002); and 2003 *Report*, 19 FCC Rcd 1606 (2004).

² Communications Act of 1934, § 628(g), 47 U.S.C. § 548(g).

³ Pub. L. No. 102-385, 106 Stat. 1460 (1992).

Notice of Inquiry (Notice) in this docket.⁴ We do not require data submissions nor do we audit data provided. We report data and other information as submitted by the commenters.⁵ We did not receive any information on a number of issues raised in the *Notice* (e.g., information on video delivery in foreign markets, technical issues, cable horizontal ownership, delivery method of programming networks), and very limited information on other issues (e.g., ownership of nonbroadcast networks, private cable operators, locally and community-oriented programming). If we continue to find that we do not get the necessary data from industry participants, we may pursue additional mandatory data collection processes to ensure that we have appropriate information to fulfill our statutory mandate to provide Congress with an annual assessment of the status of competition in the video marketplace.

3. In Section II, we examine the cable television industry, existing multichannel video programming distributors (MVPDs) and other program distribution technologies and potential competitors to cable television. Among the MVPDs discussed are direct broadcast satellite (DBS) services and home satellite dishes (HSD), broadband service providers (BSPs), broadcast television service, wireless cable systems using frequencies in the multichannel multipoint distribution service (MMDS), and private cable operators (PCOs). We also consider other existing and potential distribution technologies for video programming, including local exchange carriers (LECs) and utilities, home video sales and rentals, and the Internet. In Section III of this report, we examine market structure and competition. We evaluate horizontal concentration in the multichannel video marketplace, vertical integration between programming services and distribution systems, and competitive issues in small and rural markets. We also address numerous technical issues regarding navigation devices, emerging services, and cable modems. Finally, we review briefly several developments in foreign markets.

B. Summary of Findings

1. The Current State of Competition: 2004

4. In the *2003 Report*, the Commission recognized that competition provides consumers with increased choice, better services, higher quality, and greater technological innovation. The *2003 Report* found that, overall, the level of competition among video providers had increased dramatically since our first *Report* in 1994. Most notably, cable operators served almost 100 percent of the nation's MVPD subscribers a decade ago, but by June 2003, cable's share of MVPD subscribers declined to 74 percent.⁶ As of June 2004, cable operators served approximately 72 percent of all MVPD subscribers. Today, almost all consumers have the choice between over-the-air broadcast television, a cable service, and at least two DBS providers. In some areas, consumers may also choose between other traditional (e.g., broadcasting, cable, DBS) and emerging (e.g., use of digital broadcast spectrum, fiber to the home, video over the Internet) delivery technologies as well. Increased competition in the market for the delivery of video programming since our first *Report* has led to improvements in cable television services, including more channels of video programming and more service options, but generally not lower prices.⁷ In addition, through the use of advanced set-top boxes and digital video recorders, consumers are now able to maintain more control over what, when, and how they receive information.

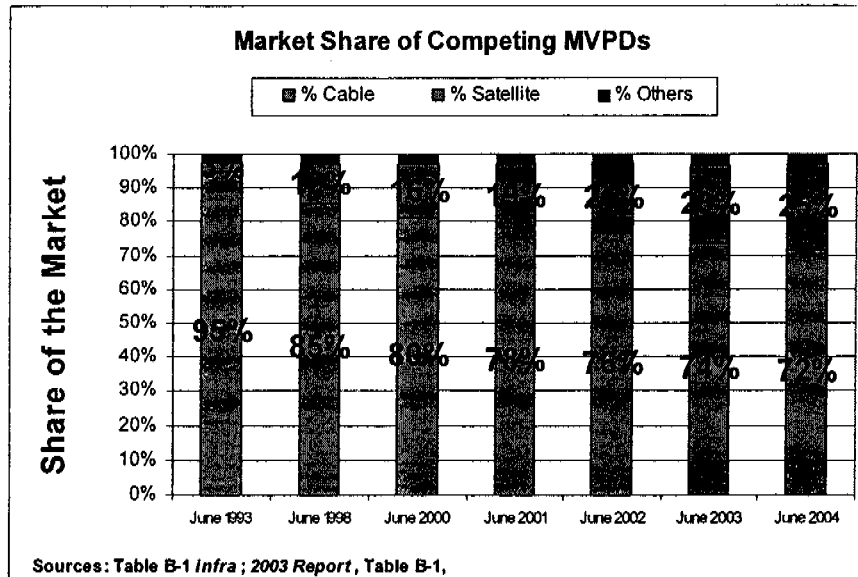
⁴ *Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming*, 19 FCC Rcd 10909 (2004) (*Notice*). Where possible, we requested data as of June 30, 2004.

⁵ Appendix A provides a list of commenters and the abbreviations by which they are identified herein.

⁶ See Appendix B, Table B-1. We have revised data for the number of cable subscribers for June 2003 to use a consistent source.

⁷ See *Implementation of Section 3 of the Cable Television Consumer Protection and Competition Act of 1992, Statistical Report on Average Rates for Basic Service, Cable Programming Service, and Equipment*, MM Docket No. 92-266, FCC 05-12 (adopted Jan. 14, 2005) (*2004 Price Survey*); See also paras. 26-27 *infra*.

5. The 2004 Report discusses changes that have occurred in the competitive environment over the last year. Overall, we find that cable subscribership is remaining relatively stable as the MVPD market grows; thus, cable's share of the MVPD market is declining. In contrast, DBS subscribership continues to increase at nearly double-digit rates of growth, and its share of the marketplace is increasing. The second and fourth largest MVPDs are both DBS operators. In addition, other delivery technologies continue to serve small numbers of subscribers in limited areas. LECs, who have partnered with DBS providers to offer video service over the last year, have recently announced plans to enter the video distribution market with fiber facilities.



6. Based on the information presented in this Report, we find that consumers today have viable choices in the delivery of video programming, and they are exercising their ability to switch among MVPDs.⁸ We do not believe that the fact that large numbers of consumers continue to subscribe to cable service indicates a lack of choice. Cable operators in response to the growth of DBS have made upgrades and advances in their offerings.⁹ The number of cable subscribers selecting digital tiers and advanced services not offered by DBS continues to grow. In addition, consumers are more likely to consider switching from cable to DBS when they change their residences, indicating a convenience factor and the cost of switching, rather than a lack of choice, is an important consideration in remaining a cable subscriber.

⁸ See also *Time Warner Says Price Cuts Possible*, FINANCIAL TIMES, Oct. 5, 2004; *Cable's Competition*, CABLEFAX DATABRIEFS, Sept. 20, 2004; David Lieberman, *Study: Cable Losing Steam*, USA TODAY, Aug. 24, 2004, at 1B; David Lieberman, *Cable Companies' Subscriber Base Sinks, While Satellite Firms Soar*, USA TODAY, Aug. 11, 2004, at 3B; Ken Belson, *Two Big Cable Companies Report Losses Amid Competition*, NEW YORK TIMES, Aug. 10, 2004, at C4; Peter Grant, *Cable Trouble: Subscriber Growth Stalls as Satellite TV Soars*, WALL STREET JOURNAL, Aug. 4, 2004, at B1; *Cable Penetration Slips, DBS Rises*, BROADCASTING & CABLE TV FAX, Aug. 5, 2004, at 2; Chris Walsh, *Comcast Fighting Back: Growing Competition Spurs Strategy of New Services, Innovation*, ROCKY MOUNTAIN NEWS, July 1, 2004; Ronald Grover and Tom Lowry, *Satellite's Hot Pursuit of Cable*, BUSINESS WEEK ONLINE, May 24, 2004, at http://www.businessweek.com/@@3Be8T4QQU*TiBhkA/magazine/content/04_21/b3884059.htm (visited Jan. 14, 2005).

⁹ See fn. 299 *infra*; U.S. General Accounting Office, *Issues Related to Competition and Subscriber Rates in the Cable Television Industry*, GAO-04-8 (Oct. 2003) at 10 (2003 GAO Report).

2. General Findings

7. Most MVPD subscribers continue to receive their video programming from a franchised cable operator, but cable's market share continues to decline. In June 2003, 73.6 percent of MVPD subscribers received their video programming from a franchised cable operator, and by June 2004, 71.6 percent of MVPD subscribers received their video programming from a franchised cable operator. At the same time, DBS's share increased from 22.7 percent of MVPD subscribers in June 2003, to 25.1 percent of MVPD subscribers in June 2004. The number of MVPD subscribers choosing all other delivery technologies represented 3.3 percent of all subscribers in June 2004, as compared with 3.7 percent in June 2003.

8. While the number of subscribers to cable television has increased slightly since the *2003 Report*, the total number of subscribers to MVPD services generally has increased at a more rapid pace. A total of 89.8 million households subscribed to multichannel video programming services as of June 2003, compared to 92.3 million households subscribing to MVPDs in June 2004, an increase of about 2.8 percent. This subscriber growth represents slightly less than a one percentage point increase in the percent of television households subscribing to an MVPD, from 84.2 percent as of June 2003 to 85.1 percent as of June 2004.¹⁰

9. Last year we reported a decline in the number of cable subscribers. This year we report that cable subscribership has increased only slightly, but now constitutes a smaller portion of the video programming market. As of June 2003, there were 66.05 million cable subscribers, representing 73.6 percent of all MVPD subscribers. As of June 2004, there were 66.1 million cable subscribers, representing 71.6 percent of all MVPD subscribers.

10. During the same period, the total number of noncable MVPD subscribers grew from 22.3 million in June 2003 to 26.2 million in June 2004, an increase of 17.7 percent. DBS subscribership, in particular, continues to grow at double digit rates. Between June 2003 and June 2004, the number of DBS subscribers grew from about 20.4 million households to about 23.2 million households. DBS's continued growth is due in part to the continued increase in the number of markets where local broadcast television stations are distributed by DBS under the authority granted to them by the Satellite Home Viewer Improvement Act of 1999 (SHVIA).¹¹

11. Over the last year, subscribership to large dish satellite service (HSD) continued to decline. In June 2004, subscribers to HSD services represented only 0.36 percent of all MVPD subscribers, compared to June 2003, when 0.56 percent of all MVPD subscribers received their service via HSD. Although the participation of LECs has been limited in recent years, several LECs have announced their intent to re-enter the video distribution market in the next several years using fiber facilities. The number of subscribers receiving their video programming from a wireless (MMDS) operator remained steady over the past year at about 0.22 percent of MVPD subscribers, and MVPD subscribers served by private cable operators (PCOs) has declined slightly over the last year, from a 1.3 percent to 1.2 percent of all MVPD subscribers.

12. Cable multiple system operators (MSOs) and other MVPDs continue to offer nonvideo advanced services. Some cable operators continue to offer access to the Internet through the subscriber's television and a specially designed set-top box, but the most popular way to access the Internet over cable is through the use of a cable modem and personal computer. As of June 2003, there were more than 13.7

¹⁰ The number of MVPD households reported here, and the associated percentages, may overstate actual values because a household that subscribes to more than one MVPD (e.g., cable and DBS) is included as a subscriber to both services. See *2003 Report*, 19 FCC Red at 1610 n.8.

¹¹ Pub. L. No. 106-113, 113 Stat. 1501, 1501A-526 to 1501A-545 (1999).

TABLE C-3

**National Video Programming Services
Affiliated With a Media Entity***

Programming Service	Ownership
A&E (Arts & Entertainment)	Disney, NBC-Universal, Hearst
ABC Family	Disney
ACNTV (America's Collectibles Network)	
Action Max	Time Warner
AIT (African Independent Television)	
American Movie Classics (AMC)	Cablevision
America's Store	
ANA Television Network	
Animal Planet	Cox, Advance Newhouse, Liberty Media
Anime Network	
@Max	Time Warner
AYM Sports	
ART (Arab Radio & Television)	
Bandamax	Univision
BBC America	Viacom
BET (Black Entertainment Television)	Viacom
BET Gospel	Viacom
BET Hip Hop	Viacom
BET Jazz: The Jazz Channel	Viacom
Biography Channel	Disney, NBC-Universal, Hearst
Black Family Channel (formerly MBC Network)	
Black STARZ!	Liberty Media
Bloomberg Television	
B Mania	
Boomerang	Time Warner
Boston Kids & Family TV	
Bravo	NBC-Universal
Bridges TV	
Buzztime Entertainment	
Canal 24 Horas	
Cartoon Network	Time Warner

Programming Service	Ownership
CCTV-4 (China Central Television)	
Celtic Vision	
Channel One Russian Worldwide Network	
Chronicle DTV	
Church Channel	Trinity Broadcasting Network
Cine Latino	
Cinemax	Time Warner
Classic Arts Showcase	
CMT (Country Music Television)	Viacom
CNBC	NBC-Universal
CNBC World	NBC-Universal
CNC Columbia	
CNN	Time Warner
CNN En Español	Time Warner
CNN Headline News	Time Warner
CNN International	Time Warner
College Entertainment Network	
Comedy Central	Viacom
Court TV	Time Warner, Liberty Media
Crime Channel	
C-SPAN**	
C-SPAN2**	
C-SPAN3**	
CSTV (College Sports Television)	
CTI Zhon Tian Channel (formerly Power TV Zhon Tian Channel)	
Daystar Television Network	Daystar Television
De Pelicula	Univision
De Pelicula Classico	Univision
Deep Dish TV	
Destiny Channel	
Discovery Channel	Cox, Advance Newhouse, Liberty Media
Discovery En Español	Cox, Advance Newhouse, Liberty Media
Discovery Health Channel	Cox, Advance Newhouse, Liberty Media

Programming Service	Ownership
Discovery HD Theater	Cox, Advance Newhouse, Liberty Media
Discovery Home Channel	Cox, Advance Newhouse, Liberty Media
Discovery Kids	Cox, Advance Newhouse, Liberty Media
Discovery Times	Cox, Advance Newhouse, Liberty Media, New York Times
Discovery Wings: The Aviation and Adventure Channel	Cox, Advance Newhouse, Liberty Media
Disney Channel	Disney
DIY (Do-It-Yourself Network)	E.W. Scripps
Dream Network	
E! Entertainment	Comcast, Disney
Ecology Communications	
Encore	Liberty Media
Encore HD	Liberty Media
Encore Action	Liberty Media
Encore Love Stories	Liberty Media
Encore Mystery	Liberty Media
Encore True Stories	Liberty Media
Encore WAM! America's Youth Network	Liberty Media
Encore Westerns	Liberty Media
ESPN	Disney, Hearst
ESPN Classic	Disney, Hearst
ESPN Deportes	Disney, Hearst
ESPN2	Disney, Hearst
ESPN HD	Disney, Hearst
ESPNEWS	Disney, Hearst
EWTN: Global Catholic Network	
Familyland Television Network	
Family Net	
Filipino Channel (ABS-CBN)	
Fine Living	E.W. Scripps
5StarMax	Time Warner
FITTV	Cox, Advance Newhouse
Flix	Viacom
Food Network	E.W. Scripps

Programming Service	Ownership
Fox Movie Channel	Fox
Fox News Channel	Fox
Fox Sports Digital Nets	Fox
Fox Sports World	Fox
Fox Sports en Español	Fox
FX	Fox
Fuel	Fox
FSTV (Free Speech TV)	
Fuse	Cablevision
Fuse On Demand	Cablevision
G4techTV	Comcast, EchoStar
Galavision	Univision
GSN (Game Show Network)	Liberty Media
German TV	
Gol TV	
Golden Eagle Broadcasting	
Golf Channel	Comcast
Goodlife Television Network	
Grandes Documentales	
Great American Country	E.W. Scripps
Hallmark Channel	Liberty Media
Hallmark Movie Channel	Liberty Media
HBO (Home Box Office)	Time Warner
HBO 2	Time Warner
HBO Comedy	Time Warner
HBO Family	Time Warner
HBO Latino	Time Warner
HBO Signature	Time Warner
HBO Zone	Time Warner
HDNET	
HDNET Movies	
Health TV Channel	
Here! TV	
History Channel	Disney, NBC-Universal, Hearst
History Channel en Español	Disney, NBC-Universal Hearst

Programming Service	Ownership
History International	Disney, NBC-Universal, Hearst
Home & Garden Television (HGTV)	E.W. Scripps
Home Shopping Network	
Horse Racing TV	
Hot Net	
Hot Zone	
HTV	
Hustler TV	
Imaginasian TV	
iN Demand (35 multiplexed channels)	Comcast, Time Warner, Cox
iN Demand HD1	Comcast, Time Warner, Cox
iN Demand HD2	Comcast, Time Warner, Cox
Independent Film Channel	Cablevision
Infinito	
Inspirational Life Television (I-LIFETV)	
Inspirational Network (INSP)	
International Channel	Comcast
JCTV	Trinity Broadcasting Network
Jewelry Television by ACN	
La Familia Network	
LATV	
Liberty Channel	
Lifetime Movie Network	Disney, Hearst
Lifetime Real Women	Disney, Hearst
Lifetime Television	Disney, Hearst
Locomotion Channel	
MAVTV-Mav'rick Entertainment Network	
MBC America (MUNHWA Broadcasting Corporation)	
Meadow Racing Network	
MoreMAX	Time Warner
MoviePlex	Liberty Media
MSNBC	NBC-Universal
MTV Español	Viacom
MTV Hits	Viacom

Programming Service	Ownership
MTV Jams	Viacom
MTV: Music Television	Viacom
MTV 2	Viacom
Mun ²	NBC-Universal
Music First	
My Pet TV	
NASA Television	
National Geographic Channel	Fox
National Iranian Television (NITV)	
National Jewish Television	
NBA TV	
Newsworld International	
NFL Network	
NFL On Demand	
Nick 2	Viacom
Nickelodeon Gas-Games & Sports Network	Viacom
Nickelodeon/Nick at Nite	Viacom
Nicktoons	Viacom
Noah's World International	
Noggin/The N	Viacom
Oasis TV	
Outdoor Channel	
Outdoor Life Network	Comcast
OuterMax	Time Warner
Ovation: The Arts Network	Time Warner, New York Times
Oxygen Media	
Pax TV	NBC-Universal, Paxson Communications
Pentagon Channel	
Playboy TV Networks	
Pleasure	
Praise Television	
PIN (Product Information Network)	
Puma TV	
QTV (Q Television Network)	

Programming Service	Ownership
QVC	Liberty Media
RAI International	
Rang-A-Rang	
Ritmoson Latino	Univision
Russian Television Network of America (RTN)	
Rx Channel	
Saigon Broadcasting Network	
Science Channel	Cox, Advance Newhouse
Sci-Fi Channel	NBC-Universal
SCOLA	
Shop at Home	E.W. Scripps
Shop NBC	NBC-Universal
Short TV	
Showtime	Viacom
Showtime Beyond	Viacom
Showtime PPV (formerly Showtime Event Television, SET)	Viacom
Showtime Extreme	Viacom
Showtime Family Zone	Viacom
Showtime Next	Viacom
Showtime Showcase	Viacom
Showtime Too	Viacom
Showtime Women	Viacom
SiTV	
Skyview World Media	
S Networks	
Sorpressa	
SoapNet	Disney
Source Suite	Insight Communications
Speed Channel	Fox
Spice 1	
Spice 2	
Spike TV	Viacom
Sportsman Channel	
Starz!	Liberty Media
Starz! Cinema	Liberty Media
Starz! Family	Liberty Media

Programming Service	Ownership
Starz! HD	Liberty Media
Starz! Kids	Liberty Media
Starz! On Demand	Liberty Media
Starz! Super Pack (13 movie channels)	Liberty Media
Starz! Theater	Liberty Media
Style	Comcast, Disney
Sun TV	
Sundance Channel	Viacom
Sur	
TBN (Trinity Broadcasting Network)	Trinity Broadcasting Network
TBN Enlace USA	Trinity Broadcasting Network
TBS	Time Warner
Telefe Internacional	
Telefutura	Univision
Telehit	Univision
Telemundo	NBC-Universal
Telemundo Internacional	NBC-Universal
The Erotic Network (TeN)	
TeN on Demand	
TeN BLOX	
TeN Blue	
TeN Clips	
Tennis Channel	
Tenxsty	
TFN (The Football Network)	
TLC (The Learning Channel)	Cox, Advance Newhouse Liberty Media
Thriller Max	Time Warner
TMC (The Movie Channel)	Viacom
TMC HD	Viacom
TMC XTRA	Viacom
TNT (Turner Network Television)	Time Warner
True Blue	
Toon Disney	Disney
Totally Broadway TV	
Totally Hollywood TV	

Programming Service	Ownership
Travel Channel	Cox, Advance Newhouse Liberty Media
TCM (Turner Classic Movies)	Time Warner
TR!O	NBC-Universal
TV 5 – USA Inc.	
TV Asia	
TVG Network	
TV Games Network	Fox
TV Japan	
TVN Entertainment Corporation (33 digital pay-per-view channels)	
TVN Direct	
TV Guide Channel	Fox
TV Guide Interactive	Fox
TV Internacional	
TV Land	Viacom
TV One	Comcast
TV Polonia	
UBC (Urban Broadcasting Company)	
Univision	Univision
Utilisima Satelitel	
USA Network	NBC-Universal
VH1 (Music First)	Viacom
VH1 (Classic)	Viacom
VH1 Soul	Viacom
VH1 Country	Viacom

Programming Service	Ownership
VH1 Megahits	
VH Uno	
Video Rola	
Vivid TV	
VTV: Varsity Television	
VTV On Demand	
WE	Cablevision
Weather Channel	Landmark Communications
Weatherscan	Landmark Communications
WGN	Tribune Company
Wisdom Television	
WMAX	Time Warner
Word Network	
Worship Network	
ZEE TV	

Note:

* Media entity is defined as a cable operator, broadcast network, or broadcast television station licensee. Liberty Media programming interests are also listed due to its ownership in News Corp. (Fox).

** The National Cable Satellite Corporation (C-SPAN) derives 97 percent of its revenues from affiliate fees (*i.e.*, subscriber fees from MVPDs). The remaining three percent is provided by various investments. Affiliates have no ownership or program control interests in C-SPAN.

Sources:

See Sources Tables C-1 and C-2.

FCC, Broadcast Radio and Television Electronic Filing System, http://svartifoss2.fcc.gov/cgi-bin/ws.exe/prod/cdbs/pubacc/prod/cdbs_pa.htm.

Paxson Communications, <http://www.pax.tv/about/> (visited Dec. 16, 2004).

Daystar Television Network, <http://www.daystar.com/about.htm> (visited Dec. 16, 2004).

TABLE C-4

Regional Video Programming Services

Programming Services	Launch Date	MSO Ownership (%)
Altitude Sports & Entertainment	Sep-04	
Arabic Channel	Apr-91	
Arizona News Channel	Nov-96	Cox (50)
Bay News 9	Sep-97	Time Warner (100)
Bay TV	1994	
Bravesvision (Atlanta)	Jul-03	Comcast (100)
California Channel	Feb-91	
Capital News 9-Albany New York		Time Warner (100)
Central Florida News 13 (CFN 13)	Oct-97	Time Warner (50)
ChicagoLand Television News (CLTV)	Jan-93	
Carolinas Sports Entertainment Television	Oct-04	
CN8 – The Comcast Network	Oct-97	Comcast (100)
Comcast Local (Detroit)	Aug-04	Comcast (100)
Comcast SportsNet (Philadelphia)	Oct-97	Comcast (78.34)
Comcast SportsNet Chicago	Oct-04	Comcast (30)
Comcast SportsNet Mid Atlantic	Apr-84	Comcast (100)
Comcast SportsNet West	Nov-04	Comcast (100)
Comcast / Charter Sports Southeast (CSS)	Apr-84	Comcast (69.1), Charter (23)
County Television Network San Diego	Jul-96	
Cowboys TV (Dallas)	Sep-04	Comcast (100)
Cox Sports Television	Oct-02	Cox (100)
Ecumenical Television Channel	1983	
Empire Sports Network	Dec-90	Adelphia (67)
Falconvision (Atlanta)	Sep-04	Comcast (100)
Florida's News Channel	Sep-98	
Fox Sports Net Arizona	Sep-96	
Fox Sports Net Bay Area	Apr-90	Cablevision (60)
Fox Sports Net Chicago	Jan-84	Cablevision (60)
Fox Sports Net Detroit	Sep-97	
Fox Sports Net Florida	1989	Cablevision (60)
Fox Sports Net Midwest	Sep-97	
Fox Sports Net New England	Jan-88	Cablevision (30)
Fox Sports Net New York	1989	Cablevision (60)

Programming Services	Launch Date	MSO Ownership (%)
Fox Sports Net North	Mar-89	
Fox Sports Net Northwest	Nov-88	
Fox Sports Net Ohio	Feb-89	Cablevision (60)
Fox Sports Net Pittsburgh	Apr-86	
Fox Sports Net Rocky Mountain	Nov-88	
Fox Sports Net South	Aug-90	
Fox Sports Net Southwest	Jan-83	
Fox Sports Net West	Oct-85	
Fox Sports Net West 2	Jan-97	
Game Bank	Nov-95	
Gwinnet News & Entertainment Television	May-97	
Hip Hop Network	Jan-97	
International Television Broadcasting (ITV)	Apr-86	
Las Vegas One News	Apr-98	
Local News on Cable (LNC) – Hampton	Feb-97	
Madison Square Garden Network (MSG)	Oct-69	Cablevision (60)
MediaOne News	Dec-95	
MetroSports – Kansas City, Mo.	Feb-04	Time Warner (100)
Metro Stories	Aug-98	Cablevision (60)
Metro Traffic and Weather	Aug-98	Cablevision (60)
Metro TV	Aug-98	Cablevision (60)
Michigan Government Television	Jul-96	
Neighborhood News 12	Unknown	Cablevision (75)
New England Cable News (NECN)	Mar-92	Comcast (50)
New England Sports Network (NESN)	Mar-84	
New York 1 News (NY1 News)	Sep-92	Time Warner (100)
NY 1 Noticias	Jun-03	Time Warner (100)
News 10 Now – Syracuse, N. Y.	Nov-03	Time Warner (100)
News 12 Connecticut	Jun-95	Cablevision (75)
News 12 Long Island	Dec-86	Cablevision (75)
News 12 New Jersey	Mar-96	Cablevision (75)
News 12 Bronx	Jun-97	Cablevision (75)
News 12 Westchester	Nov-95	Cablevision (75)
News 8 Austin	Sep-99	Time Warner (100)
News Channel 5+	Sept-96	

Programming Services	Launch Date	MSO Ownership (%)
News 14 Carolina (Charlotte)	Mar-02	Time Warner (100)
News 14 Carolina (Raleigh)	Mar-02	Time Warner (100)
News Now 53	Jun-97	Cox (50)
News on One	Oct-97	Cox (50)
News Watch 15 (New Orleans)	Oct-99	
News Channel 8	Oct-91	
NGTV (National Greek Television)	Dec-87	
Nippon Golden Network	Jan-82	
North West Cable News (NWCN)	Dec-95	
Ohio News Network (ONN)	May-97	
Orange County Newschannel (OCN)		
PASS Sports (Pro-Am Sports System)	Apr-84	
Pennsylvania Cable Network (PCN)	Sep-79	
Pittsburgh Cable News Channel (PCNC)	Jan-94	Comcast (30)
Rarities Exchange	Dec-98	
Regional News Network (RNN)	Dec-95	
Rhode Island News Channel	Sep-98	Cox (50)
R News – Rochester, N. Y.	Jul-95	Time Warner (100)
San Diego's News Channel 15	Jan-97	
Six News Now	Jul-95	
Soundtrack Channel (STC)	Mar-02	
Sunshine Network	Mar-88	
Texas Cable News	Jan-99	
Tri-State Media News (TSM News)	Apr-99	
Turner South (STC)	Oct-99	Time Warner (100)
TV33	Dec-95	
Washington Korean TV (WKTV)	1985	
Yankee Entertainment Sports Network (YES)	Mar-02	

Sources:

NCTA, *Regional Cable Networks*, Cable Developments 2004, at 207-242.

Comcast Comments at 28.

Fox Comments, Attachment A.

Mass Media Notes, COMM. DAILY, Feb. 3, 2004, at 10.

Stormy Weather, CABLEFAX DAILY, Oct. 15, 2004, at 2.

<http://www.cjr.org/tools.owners> (visited July 20, 2004)

<http://www.freep.com/money/business> (visited Oct. 29, 2004)

EXHIBIT 10



PRESS RELEASE

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COMCAST REPORTS FIRST QUARTER 2005 RESULTS

Consolidated Revenue Increased 9.3% to \$5.4 Billion
Cable Division Revenue Increased 9.7% to \$5.1 Billion

Consolidated Operating Income Increased 31.3% to \$866 Million

Consolidated Operating Cash Flow Increased 17.1% to \$2.0 Billion
Cable Division Operating Cash Flow Increased 15.9% to \$2.0 Billion

Strong Demand for New Products Continues
Adds More than 414,000 High-Speed Internet and 200,000 Digital Customers
Digital Customer Demand Drives 428,000 HDTV and DVR Additions

**Comcast Board of Directors Authorizes \$2 Billion Addition
To Stock Repurchase Program**

Philadelphia, PA – April 28, 2005...Comcast Corporation (Nasdaq: CMCSA, CMCSK) today reported results for the quarter ended March 31, 2005. Comcast will discuss first quarter results on a conference call and webcast today at 8:30 AM Eastern Time. A live broadcast of the conference call will be available on the investor relations website at www.cmcsa.com and www.cmcsk.com.

Brian L. Roberts, Chairman and CEO of Comcast Corporation said, "We are off to a great start this year. We are reporting strong revenue growth in our Cable and Content divisions and more than \$2 billion in Operating Cash Flow, representing growth of more than 17% as compared to the first quarter of 2004. Operating income increased more than 31% to \$866 million. Our strategy of differentiating our products by adding valuable features is showing continued positive results with robust Comcast Digital Cable and Comcast High-Speed Internet net additions. We are striking the right balance with our focus on customer growth and profitability."

"Our customers are embracing a whole new way to watch television. In March, our digital television customers viewed more than 100 million ON DEMAND programs. That is three times the number of programs viewed ON DEMAND in March of last year and a 40% increase in usage from the fourth quarter of 2004."

"We generated \$722 million of Free Cash Flow in the first quarter of 2005, repurchased \$326 million in Comcast stock and continue to make investments to support our growth and differentiation strategy. I am pleased to announce that our Board of Directors has authorized a \$2 billion addition to our stock repurchase program, providing \$2.3 billion of repurchase capacity. Since December 2003, we have repurchased \$1.7 billion of Comcast stock."

"The first quarter of 2005 demonstrates that we are executing on all fronts, delivering strong operational and financial results, returning capital to shareholders, and making investments to support our ongoing growth."

"Comcast has never had more potential for growth or been in a better position to take advantage of those opportunities. We are excited about the future of the cable business and we just announced transactions with Time Warner and Adelphia that will allow us to expand our footprint and accelerate the deployment of our advanced services even further."

Comcast Cable Results

Cable results are presented on a pro forma basis. Pro forma cable results adjust only for certain acquisitions and dispositions and are presented as if the acquisitions and dispositions were effective on January 1, 2004. Please refer to Table 7-A for a reconciliation of pro forma data.

Comcast Cable reported revenue of \$5.1 billion for the quarter ended March 31, 2005, representing a \$453 million or 9.7% increase from the \$4.7 billion in the first quarter of 2004. Video revenue increased \$178 million or 5.6% to \$3.4 billion in the first quarter of 2005, driven by higher monthly revenue per subscriber and an increase in digital cable subscriptions. Comcast Cable added 200,000 new digital customers in the first quarter of 2005 and, with more than 8.8 million subscribers, digital cable penetration reached 41.1% of basic subscribers. Basic cable subscribers declined 29,000 during the first quarter of 2005.

Digital cable subscriber and video revenue growth reflect consumers' demand for new digital features and services including Comcast ON DEMAND, high-definition television (HDTV) programming and digital video recorders (DVRs). During the first quarter of 2005, pay-per-view revenue increased more than 18% driven by movie and event purchases through the Comcast ON DEMAND service. Pay-per-view revenues have increased each of the last six quarters reflecting the strong consumer appeal of the ON DEMAND service. At the end of the first quarter of 2005, we had deployed a combined 1.6 million set-top boxes with DVR and/or HDTV programming capability, an increase of more than 1 million in the past year. More than 428,000 or 25% of these advanced set-top boxes were deployed in the first quarter of 2005, generating an incremental \$5 to \$10 of monthly revenue per box.

Comcast High-Speed Internet service revenue increased 32.5% to \$925 million in the first quarter of 2005 reflecting strong growth in the number of subscribers and higher average revenue per subscriber. Comcast Cable added 414,000 high-speed Internet customers to finish the first quarter of 2005 with 7.4 million subscribers, representing a penetration rate of 18.3% of available homes. Average monthly revenue per subscriber was \$42.81 in the first quarter of 2005, a slight increase from the first quarter of 2004 and a 1.8% increase from the \$42.06 reported in the fourth quarter of 2004.

Advertising revenue for the first quarter of 2005 increased 9.8% to \$296 million reflecting growth of 9.1% in local advertising and growth of 15.4% in regional/national advertising as a result of the continuing success of our regional interconnect strategy. The strong growth in advertising revenue during the first quarter included a decline in political advertising. Advertising growth in 2005 will continue to reflect a significant decline in political advertising when compared to the 2004 election year.

Cable phone revenue declined 3.1% from the first quarter of 2004 to \$173 million in the first quarter of 2005. The decrease in revenue reflects a decline in cable phone customers during 2004. Comcast Cable reported 4,000 net new cable phone customers in the first quarter of 2005 including the addition of more than 7,000 Comcast Digital Voice customers (Comcast's phone service using IP technology), offset by a decline in the number of Comcast's circuit-switched telephone customers as we transition to focus on marketing Comcast Digital Voice.

Cable operating income before depreciation and amortization (Operating Cash Flow) increased 15.9% to \$2.0 billion for the quarter from the \$1.7 billion reported for the first quarter of 2004. First quarter 2005 Operating Cash Flow margin increased to 39.1% from 37.0% in the first quarter of last year.

Cable capital expenditures for the quarter ended March 31, 2005 increased 8.5% to \$883 million from the same period last year. The increase in capital expenditures reflects certain capital investments, including equipment for digital simulcasting and our integrated service platform, which will not recur in the latter part of this year, and additional purchases of advanced set-top boxes to meet customer demand.

Content

Comcast's content segment consists of our national networks E! Entertainment Television and Style Network (E! Networks), The Golf Channel, Outdoor Life Network, G4 and AZN Television (formerly International Channel Networks).

Comcast's content segment reported first quarter 2005 revenue of \$213 million, a 20.9% increase from the first quarter of 2004 reflecting increases in distribution and advertising revenue for all the networks. The Content segment reported Operating Cash Flow of \$77 million, a 12.1% increase from the first quarter of 2004 due primarily to strong growth at The Golf Channel offset by funding of our developing networks.

Corporate and Other

Corporate and Other includes Comcast-Spectacor, corporate overhead and other operations and eliminations between Comcast's businesses. For the quarter ended March 31, 2005, Comcast reported Corporate and Other revenue of \$47 million and an Operating Cash Flow loss of \$42 million compared to revenue of \$86 million and an Operating Cash Flow loss of \$55 million in the same period of 2004 reflecting the absence of National Hockey League games in 2005.

Consolidated Results

In the first quarter of 2005, the Company reported consolidated revenues of \$5.4 billion, a 9.3% increase from the \$4.9 billion reported in the same period of 2004. Operating income increased 31.3% to \$866 million in the first quarter of 2005 compared to operating income of \$659 million in the same period of 2004. Consolidated Operating Cash Flow increased to \$2.0 billion, or 17.1%, in the first quarter of 2005 from the \$1.7 billion reported in the prior year.

Free Cash Flow (described further on Table 4) increased \$325 million or 81.9% reflecting higher Operating Cash Flow and capital expenditures, as described above.

For the quarter ended March 31, 2005, the Company reported consolidated net income of \$313 million, or \$0.14 per share compared to a consolidated net income of \$65 million, or \$0.03 per share in the same period of 2004.

As previously disclosed and more fully described in our 2004 Form 10-K, Comcast is liable for a portion of any liabilities of AT&T relating to certain At Home litigation. AT&T is currently involved in advanced settlement discussions, following a mediation, relating to two of the lawsuits. If AT&T reaches a settlement prior to the filing of our Form 10-Q, Comcast would be required to reflect in its first quarter earnings its share of the settlement amount. No assurances can be given that a settlement will be reached or the amount of any such settlement. Final disposition of these lawsuits and the final resolution of Comcast's share of these potential liabilities are not expected to have a material adverse effect on its consolidated financial position but could be material to its consolidated results of operations of any one period. Financial results contained in this press release do not reflect the potential effect of any such settlement.

2005 Financial Outlook:

Comcast updates the following previously issued guidance for 2005:

- Consolidated Operating Cash Flow growth of 14% to 15%; up from the previous guidance of at least 12% growth.*
- Consolidated capital expenditures will increase by \$200 to \$300 million over previous guidance of approximately \$3 billion due to the strong demand for advanced set-top boxes.

Comcast affirms the following previously issued guidance for 2005:

- Consolidated revenue growth of approximately 10%.
- Total Revenue Generating Unit growth of at least 2.5 million units.
- Consolidated Free Cash Flow growth of 35% to 45%.*

* Does not include any impact from the adoption of SFAS No. 123R (Accounting for stock-based compensation).

###

This press release contains forward-looking statements. Readers are cautioned that such forward-looking statements involve risks and uncertainties that could cause actual events or our actual results to differ materially from those expressed in any such forward-looking statements, including the effect of any settlement reached in the At Home litigation. Readers are directed to Comcast's periodic and other reports filed with the Securities and Exchange Commission for a description of such risks and uncertainties.

In this discussion we sometimes refer to financial measures that are not presented according to generally accepted accounting principles (GAAP). Certain of these measures are considered "non-GAAP financial measures" under the Securities and Exchange Commission (SEC) regulations; those rules require the supplemental explanation and reconciliation provided in Table 7 of this release. All percentages are calculated based on actual amounts. Minor differences may exist due to rounding.

###

Comcast Corporation will host a conference call with the financial community today April 28, 2005 at 8:30 a.m. Eastern Time (ET). The conference call will be broadcast live on the Company's Investor Relations website at www.cmcsa.com or www.cmcsk.com. A recording of the call will be available on the Investor Relations website starting at 12:30 p.m. ET on Thursday, April 28, 2005. Those parties interested in participating via telephone should dial (847) 413-2408. A telephone replay will begin immediately following the call until Friday, April 29, 2005 at midnight Eastern Time (ET). To access the rebroadcast, please dial (630) 652-3000 and enter passcode number 11274875#. To automatically receive Comcast financial news by email, please visit www.cmcsa.com or www.cmcsk.com and subscribe to e-mail Alerts.

Comcast Corporation (Nasdaq: CMCSA, CMCSK) (<http://www.comcast.com>) is the nation's leading provider of cable, entertainment and communications products and services. With 21.5 million cable customers, 7.4 million high-speed Internet customers, and 1.2 million voice customers, Comcast is principally involved in the development, management and operation of broadband cable networks and in the delivery of programming content.

The Company's content networks and investments include E! Entertainment Television, Style Network, The Golf Channel, Outdoor Life Network, G4, AZN Television, PBS KIDS Sprout, TV One and four regional Comcast SportsNets. The Company also has a majority ownership in Comcast-Spectacor, whose major holdings include the Philadelphia Flyers NHL hockey team, the Philadelphia 76ers NBA basketball team and two large multipurpose arenas in Philadelphia. Comcast Class A common stock and Class A Special common stock trade on The NASDAQ Stock Market under the symbols CMCSA and CMCSK, respectively.



TABLE 1
Condensed Consolidated Statement of Operations (Unaudited)
 (amounts in millions, except per share data)

	Three Months Ended March 31,	
	2005	2004
Revenues	\$5,363	\$4,908
Operating expenses	1,957	1,869
Selling, general and administrative expenses	1,376	1,306
	<u>3,333</u>	<u>3,175</u>
Operating Cash Flow	2,030	1,733
Depreciation expense	874	798
Amortization expense	290	276
	<u>1,164</u>	<u>1,074</u>
Operating Income	866	659
Other Income (Expense)		
Interest expense	(444)	(500)
Investment loss, net	(36)	(9)
Equity in net income (losses) of affiliates	12	(17)
Other income	62	7
	<u>(406)</u>	<u>(519)</u>
Income before Income Taxes and Minority Interest	460	140
Income tax expense	(140)	(76)
Income Before Minority Interest	320	64
Minority interest	(7)	1
Net Income	<u>\$313</u>	<u>\$65</u>
Diluted earnings per common share	<u>\$0.14</u>	<u>\$0.03</u>
Diluted weighted average number of common shares outstanding	<u>2,222</u>	<u>2,268</u>



TABLE 2
Condensed Consolidated Balance Sheet (Unaudited)
(dollars in millions)

	March 31, 2005	December 31, 2004
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$836	\$452
Investments	950	1,555
Accounts receivable, net	883	959
Other current assets	461	569
Total current assets	<u>2,930</u>	<u>3,535</u>
INVESTMENTS	12,945	12,812
PROPERTY AND EQUIPMENT, NET	18,738	18,711
FRANCHISE RIGHTS	51,088	51,071
GOODWILL	14,014	14,020
OTHER INTANGIBLE ASSETS, net	3,824	3,851
OTHER NONCURRENT ASSETS, net	699	694
	<u>\$104,238</u>	<u>\$104,694</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses related to trade creditors	\$1,998	\$2,041
Accrued expenses and other current liabilities	2,607	2,735
Deferred income taxes	166	360
Current portion of long-term debt	2,638	1,854
Current portion of exchangeable debt	1,217	1,645
Total current liabilities	<u>8,626</u>	<u>8,635</u>
LONG-TERM DEBT, less current portion	19,264	20,039
LONG-TERM EXCHANGEABLE DEBT, less current portion	53	54
DEFERRED INCOME TAXES	26,930	26,815
OTHER NONCURRENT LIABILITIES	7,237	7,261
MINORITY INTEREST	602	468
STOCKHOLDERS' EQUITY	<u>41,526</u>	<u>41,422</u>
	<u>\$104,238</u>	<u>\$104,694</u>



TABLE 3
Condensed Consolidated Statement of Cash Flows (Unaudited)
(dollars in millions)

	Three Months Ended March 31,	
	2005	2004
OPERATING ACTIVITIES		
Net cash provided by operating activities	<u>\$1,332</u>	<u>\$774</u>
FINANCING ACTIVITIES		
Proceeds from borrowings	225	4
Retirements and repayments of debt	(112)	(273)
Repurchases of common stock and stock options	(326)	(12)
Issuances of common stock and sales of options and put options on common stock	40	22
Other, net	38	8
Net cash used in financing activities	<u>(135)</u>	<u>(251)</u>
INVESTING ACTIVITIES		
Capital expenditures	(892)	(828)
Proceeds from sales and restructuring of investments	100	4
Purchases of investments	(40)	(60)
Acquisitions, net of cash acquired	-	(41)
Additions to intangible and other noncurrent assets	(180)	(305)
(Purchases of) proceeds from sales of short-term investments, net	(1)	6
Proceeds from settlement of contract of acquired company	-	26
Net cash used in investing activities	<u>(1,013)</u>	<u>(1,198)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	184	(675)
CASH AND CASH EQUIVALENTS, beginning of period	452	1,550
CASH AND CASH EQUIVALENTS, end of period	<u>\$636</u>	<u>\$875</u>

TABLE 4
Calculation of Free Cash Flow (Unaudited) (1)
(dollars in millions)

	Three Months Ended March 31,	
	2005	2004
Operating Cash Flow	\$2,030	\$1,733
Interest, Net (2)	(404)	(447)
Cash Paid for Income Taxes	(12)	(61)
Capital Expenditures	(892)	(828)
FREE CASH FLOW	<u>\$722</u>	<u>\$397</u>
Changes in Working Capital and Other Items (3)	(282)	(451)
Net Cash Provided by (Used in) Operating Activities Less Capital Expenditures	<u>\$440</u>	<u>(\$54)</u>

(1) Free Cash Flow is defined as Operating Cash Flow less net interest, cash paid for taxes, and capital expenditures. It is unaffected by fluctuations in working capital levels from period to period and cash payments associated with intangible and other noncurrent assets. Cash payments for intangible and other noncurrent assets include long-term technology license agreements including computer software, long term rights to service multi-dwelling properties and programming content for our cable networks. In 2004, cash payments for intangible assets also included a long-term strategic license agreement with Gemstar of approximately \$250 million.

(2) Includes interest expense net of interest income and excludes non-cash interest and subsidiary preferred dividends.

(3) Free Cash Flow excludes amounts necessary to reconcile Free Cash Flow to "Net Cash Provided by Operating Activities Less Capital Expenditures." In 2005, this amount includes \$92 million in cash payments for liabilities recorded as part of the acquisition of AT&T Broadband with the remainder substantially related to reductions in accruals associated with payments of interest and employee compensation and bonuses. In 2004, this amount includes \$149 million in cash payments for liabilities recorded as part of the acquisition of AT&T Broadband with the remainder substantially related to reductions in accruals associated with payments of interest and employee compensation and bonuses.



TABLE 5
Pro Forma Financial Data by Business Segment (Unaudited) (1)
(dollars in millions)

	<u>Cable (2)</u>	<u>Content (3)</u>	<u>Corporate and Other (4)</u>	<u>Total</u>
<u>Three Months Ended March 31, 2005</u>				
Revenues	\$5,103	\$213	\$47	\$5,363
Operating Cash Flow	\$1,995	\$77	(\$42)	\$2,030
Operating Income (Loss)	\$891	\$32	(\$57)	\$866
Operating Cash Flow Margin	39.1%	36.1%	NM	37.9%
Capital Expenditures (5)	\$883	\$4	\$5	\$892
<u>Three Months Ended March 31, 2004</u>				
Revenues	\$4,650	\$176	\$86	\$4,912
Operating Cash Flow	\$1,721	\$69	(\$55)	\$1,735
Operating Income (Loss)	\$704	\$34	(\$77)	\$661
Operating Cash Flow Margin	37.0%	39.0%	NM	35.3%
Capital Expenditures (5)	\$814	\$4	\$10	\$828

- (1) See Non-GAAP and Other Financial Measures in Table 7. Historical financial data by business segment, as required under generally accepted accounting principles, is available in the Company's quarterly report on Form 10-Q. All percentages are calculated based on actual amounts. Minor differences may exist due to rounding.
- (2) Pro forma financial data includes the results of the 30,000 cable subscribers acquired from US Coastal Cable in April 2004.
- (3) Content includes our national networks E! Entertainment Television and Style Network (E! Networks), The Golf Channel, Outdoor Life Network, G4 and AZN Television.
- (4) Corporate and Other includes Comcast-Spectacor, Corporate activities and all other businesses not presented in the Cable or Content segments and elimination entries. Beginning in the third quarter of 2004, Comcast-Spectacor includes the operating results of its investment in a sports-event related business.
- (5) Our Cable segment's capital expenditures are comprised of the following categories:

	<u>1Q05</u>	<u>1Q04</u>
New Service Offerings		
Customer Premise Equipment (CPE)	\$463	\$292
Scalable Infrastructure	209	121
	<u>672</u>	<u>413</u>
Recurring Capital Projects		
Line Extensions	64	60
Support Capital	47	89
	<u>111</u>	<u>149</u>
Upgrades	100	252
Total	<u>\$883</u>	<u>\$814</u>

CPE includes costs incurred at the customer residence to secure new customers, revenue units and additional bandwidth revenues (e.g. digital converters). Scalable infrastructure includes costs, not CPE or network related, to secure growth of new customers, revenue units and additional bandwidth revenues or provide service enhancements (e.g. headend equipment). Line extensions include network costs associated with entering new service areas (e.g. fiber/coaxial cable). Support capital includes costs associated with the replacement or enhancement of non-network assets due to obsolescence and wear out (e.g. non-network equipment, land, buildings and vehicles). Upgrades include costs to enhance or replace existing fiber/coaxial cable networks, including recurring betterments.



TABLE 6
Pro Forma Data - Cable Segment Components (Unaudited) (1) (2)
(dollars in millions, except average monthly revenue per subscriber data)

	Three Months Ended March 31,	
	2005	2004
Revenues:		
Video (3)	\$3,362	\$3,184
High-Speed Internet	925	698
Phone	173	179
Advertising	296	269
Other (4)	180	161
Franchise Fees	167	159
Total Revenues	\$5,103	\$4,650
Operating Cash Flow	\$1,995	\$1,721
Operating Income	\$891	\$704
Operating Cash Flow Margin	39.1%	37.0%
Capital Expenditures	\$883	\$814
Operating Cash Flow, Net of Capital Expenditures	\$1,112	\$907

	1Q05	1Q04	4Q04
Video			
Homes Passed (000's)	41,000	40,100	40,800
Basic Subscribers (000's)	21,525	21,581	21,553
Basic Penetration	52.6%	53.8%	52.8%
Quarterly Net Basic Subscriber Additions (000's)	(29)	35	60
Digital Subscribers (000's)	8,856	7,859	8,656
Digital Penetration	41.1%	36.4%	40.2%
Quarterly Net Digital Subscriber Additions (000's)	200	192	251
Digital Set-Top Boxes	13,365	11,542	12,960
Monthly Average Video Revenue per Basic Subscriber	\$52.04	\$49.22	\$50.20
Monthly Average Total Revenue per Basic Subscriber	\$78.99	\$71.89	\$77.27
High-Speed Internet			
"Available" Homes (000's)	40,483	36,167	40,010
Subscribers (000's)	7,408	5,680	6,994
Penetration	18.3%	15.7%	17.5%
Quarterly Net Subscriber Additions (000's)	414	394	438
Monthly Average Revenue per Subscriber	\$42.81	\$42.44	\$42.06
Phone			
"Available" Homes (000's) (5)	11,277	9,657	10,437
Subscribers (000's)	1,228	1,247	1,223
Penetration	10.9%	12.9%	11.7%
Quarterly Net Subscriber Additions (000's)	4	(20)	10
Monthly Average Revenue per Subscriber	\$47.07	\$47.34	\$47.30
Total Revenue Generating Units (000's) (6)	39,017	36,367	38,426
Quarterly Net Additions	589	601	759

(1) See Non-GAAP and Other Financial Measures in Table 7. All percentages are calculated based on actual amounts. Minor differences may exist due to rounding.

(2) Pro forma financial and subscriber data includes the results of the 30,000 cable subscribers acquired from US Coastal Cable in April 2004. Pro forma subscriber data includes 60,000 subscribers acquired in various small acquisitions during the periods presented. The impact of these acquisitions on our segment operating results was not material.

(3) Video revenues consist of our basic, expanded basic, premium, pay-per-view, equipment and digital services.

(4) Other revenues include installation revenues, guide revenues, commissions from electronic retailing, other product offerings, commercial data services and revenues of our digital media center and regional sports programming networks.

(5) Available homes includes circuit switched and Comcast Digital Voice homes.

(6) The sum total of all basic video, digital video, high-speed Internet and phone subscribers, excluding additional outlets.



TABLE 7

Non-GAAP and Other Financial Measures

Operating Cash Flow is the primary basis used to measure the operational strength and performance of our businesses. Free Cash Flow is an additional performance measure used as an indicator of our ability to repay debt, make investments and return capital to investors, principally through stock repurchases. We use Debt Excluding Exchangeables as a measure of debt that will require cash from future operations or financings. We also adjust certain historical data on a pro forma basis following significant acquisitions or dispositions to enhance comparability.

Operating Cash Flow is defined as operating income before depreciation and amortization and impairment charges, if any, related to fixed and intangible assets and gains or losses from the sale of assets, if any. As such, it eliminates the significant level of non-cash depreciation and amortization expense that results from the capital intensive nature of our businesses and intangible assets recognized in business combinations, and is unaffected by our capital structure or investment activities. Our management and Board of Directors use this measure in evaluating our consolidated operating performance and the operating performance of all of our operating segments. This metric is used to allocate resources and capital to our operating segments and is a significant component of our annual incentive compensation programs. We believe that Operating Cash Flow is also useful to investors as it is one of the bases for comparing our operating performance with other companies in our industries, although our measure of Operating Cash Flow may not be directly comparable to similar measures used by other companies.

As Operating Cash Flow is the measure of our segment profit or loss, we reconcile it to operating income, the most directly comparable financial measure calculated and presented in accordance with Generally Accepted Accounting Principles (GAAP), in the business segment footnote of our quarterly and annual financial statements. Therefore, we believe our measure of Operating Cash Flow for our business segments is not a "non-GAAP financial measure" as contemplated by Regulation G adopted by the Securities and Exchange Commission. Consolidated Operating Cash Flow is a non-GAAP financial measure.

Free Cash Flow, which is a non-GAAP financial measure, is defined as Operating Cash Flow less net interest, cash paid for taxes, and capital expenditures. As such, it is unaffected by fluctuations in working capital levels from period to period and cash payments associated with intangible and other non-current assets which are detailed in our quarterly and annual reports on Forms 10Q/K. We believe that Free Cash Flow is also useful to investors as it is one of the bases for comparing our operating performance with other companies in our industries, although our measure of Free Cash Flow is accrual-based and may not be comparable to similar measures used by other companies.

Debt Excluding Exchangeables, which is a non-GAAP financial measure, refers to the aggregate amount of our consolidated debt and capital lease obligations less the amount of notes that are collateralized by securities that we own.

Pro forma data is used by management to evaluate performance when significant acquisitions or dispositions occur. Historical data reflects results of acquired businesses only after the acquisition dates while pro forma data enhances comparability of financial information between periods by adjusting the data as if the acquisitions (or dispositions) occurred at the beginning of the prior year. Our pro forma data is only adjusted for the timing of acquisitions and does not include adjustments for costs related to integration activities, cost savings or synergies that have been or may be achieved by the combined businesses. We believe our pro forma data is not a non-GAAP financial measure as contemplated by Regulation G.

Operating Cash Flow and Free Cash Flow should not be considered as substitutes for operating income (loss), net income (loss), net cash provided by operating activities or other measures of performance or liquidity reported in accordance with GAAP. Debt Excluding Exchangeables should not be considered as a substitute for Total Debt. Additionally, in the opinion of management, our pro forma data is not necessarily indicative of future results or what results would have been had the acquired businesses been operated by us after the assumed earlier date.

Following are quantitative reconciliations of Free Cash Flow, Debt Excluding Exchangeables, Consolidated Operating Cash Flow, and, although not required by Regulation G, reconciliations of business segment Operating Cash Flow and pro forma data.



TABLE 7-A continued

Reconciliation of Historical and Pro Forma Data by Business Segment (Unaudited)
(dollars in millions)

	Historical				Adjustments (1)		Pro forma
	Cable	Content	Corporate and Other	Total	Cable	Corporate and Other	
Three Months Ended March 31, 2005							
Revenues	\$5,103	\$213	\$47	\$5,363	-	-	\$5,363
Operating expenses (excluding depreciation and amortization)	3,108	136	89	3,333	-	-	3,333
Operating Cash Flow	\$1,995	\$77	(\$42)	\$2,030	-	-	\$2,030
Depreciation and amortization	1,104	45	15	1,164	-	-	1,164
Operating income (loss)	\$891	\$32	(\$57)	\$866	-	-	\$866
Capital expenditures	\$883	\$4	\$5	\$892	-	-	\$892
Three Months Ended March 31, 2004							
Revenues	\$4,647	\$176	\$85	\$4,908	\$3	\$1	\$4,912
Operating expenses (excluding depreciation and amortization)	2,928	107	140	3,175	1	1	3,177
Operating Cash Flow	\$1,719	\$69	(\$55)	\$1,733	\$2	-	\$1,735
Depreciation and amortization	1,017	35	22	1,074	-	-	1,074
Operating income (loss)	\$702	\$34	(\$77)	\$659	\$2	-	\$661
Capital expenditures	\$814	\$4	\$10	\$828	-	-	\$828

Reconciliation of Operating Cash Flow to Free Cash Flow (Unaudited)
(dollars in millions)

	Three Months Ended March 31,			
	2005	2004	2004	2004
Operating Cash Flow	\$2,030	\$2,030	\$1,733	\$1,733
Less:				
Interest, net (2)	(404)	(404)	(447)	(447)
Cash Paid for Income Taxes	(12)	(12)	(61)	(61)
Change in Operating Assets and Liabilities, net of acquisitions	(88)		(439)	
Other (3)	(194)		(12)	
Net Cash Provided by Operating Activities	\$1,332		\$774	
Less: Capital Expenditures		(892)		(828)
Free Cash Flow		\$722		\$397

Calculation of 2005 Estimated Free Cash Flow
(dollars in billions)

	Free Cash Flow
2004 Operating Income	\$2.9
Add: Depreciation and Amortization	4.6
2004 Operating Cash Flow	7.5
Less: 2004 Capital Expenditures	3.7
2004 Consolidated Interest, net	1.7
2004 Consolidated Cash Paid for Income Taxes	0.2
2004 Free Cash Flow	\$1.9
2005 Free Cash Flow Growth	35% to 45%
Projected 2005 Free Cash Flow	\$2.6 to \$2.8

Reconciliation of Total Debt to Debt Excluding Exchangeables (Unaudited)
(dollars in millions)

	March 31, 2005	December 31, 2004
Current portion of long-term debt	\$3,855	\$3,499
Long-term debt	19,317	20,093
Total Debt	\$23,172	\$23,592
Exchangeable debt	1,270	1,699
Debt excluding exchangeables	\$21,902	\$21,893

(1) Pro forma data is only adjusted for timing of the acquisitions (or dispositions) and does not include adjustments for costs related to integration activities, cost savings or synergies that have been or may be achieved by the combined businesses. Minor differences may exist due to rounding.

(2) Includes interest expense net of interest income and excludes non-cash interest and subsidiary preferred dividends.

(3) Includes non-cash expense included in Operating Cash Flow, cash related to other (income) expense, dividends, and the net effect of changes in accrued income taxes.

EXHIBIT 11

1996 License Agreement

- A. Letter Agreement dated July 19, 1996 Between Mid-Atlantic Sports Network, L.L.C., TCR Sports Broadcasting Holding, L.L.P., Fox, Inc. (as guarantor) and Baltimore Orioles Limited Partnership (as guarantor)
- B. Side Letter dated July 19, 1996 from J. Martin to P. Angelos
- C. Agreement Acknowledging Acceptance dated Oct. 8, 1996 between Home Team Sports, Westinghouse Elec. Co., Baltimore Orioles Limited Partnership and TCR Sports Broadcast Holding L.L.P
- D. Letter Agreement dated Oct. 9, 1996 between Home Team Sports, Westinghouse Elec. Co., Baltimore Orioles Limited Partnership and TCR Sports Broadcast Holding L.L.P, Accepting the Modifications to the July 19, 1996 Letter Agreement
- E. Letter Agreement dated Oct. 9, 1996 between Home Team Sports, Westinghouse Elec. Co., Baltimore Orioles Limited Partnership
- F. Letter Agreement dated Dec. 4, 1996 between Home Team Sports, Westinghouse Elec. Co., Baltimore Orioles Limited Partnership

A

July 19, 1996

Mr. Peter G. Angelos
TCR Sports Broadcasting Holding, L.L.P.
300 East Lombard Street, 18th Floor
Baltimore, Maryland 21202

Re: Telecast License Agreement

Dear Mr. Angelos:

This binding Letter Agreement sets forth the terms and conditions of the Telecast License Agreement between Mid-Atlantic Sports Network L.L.C. ("MASN"), a Delaware Limited Liability Company, and TCR Sports Broadcasting Holding, L.L.P. ("Owner"), a Maryland limited liability partnership (collectively the "Parties"), pursuant to which MASN will telecast certain professional baseball games in which the Baltimore Orioles Team is participating.

In consideration of the mutual covenants set forth herein, which the Parties acknowledge to be good and sufficient consideration, the Parties agree as follows:

1. Definitions.

a. "Territory" means all territories designated on Exhibit A, attached hereto.

b. "Pay Television" means any method, whether presently existing or hereafter developed, for the transmission or exhibition (whether microwave, satellite, over-the-air, fiberoptic, or otherwise) of television signals other than by means of Standard Broadcast Television, and shall include without limitation cable television (basic, premium, etc.), over-the-air pay television, multipoint and multichannel multipoint distribution system television, direct broadcast satellite television, subscription television, master antenna and satellite master antenna television, local multipoint distribution service, open video system, home satellite dish or television receive-only satellite, and pay-per-view television, provided that, for purposes of this Letter Agreement, Pay Television shall not include Closed Circuit Television.

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July 19, 1996

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2. Term. This Letter Agreement shall commence as of November 1, 1996 ("Effective Date") upon execution by the Parties and shall extend until thirty (30) days after the final game of the MLB World Series in 2006 (the "Term").

3. Grant of Rights.

a. Game Exhibition Rights. Owner hereby grants to MASN the sole and exclusive right and license to produce and exhibit on Pay Television, the exhibition season, the regular season and available play-off games of the Baltimore Orioles (the "Team"), as it may be renamed during the Term, within the Territory. For each year during the Term, Owner grants such rights for the following numbers of games of the Team: (i) eight (8) exhibition season games; (ii) eighty-five (85) regular season games; and (iii) all available play-off and championship games. MASN shall have exclusive pay-per-view rights for the games of the Team to which it has been granted the rights under this Section 3(a), provided that its exercise of those rights shall be subject to Owner's prior written consent, and MASN shall have a right of first refusal for the pay-per-view rights to the other games of the Team. Notwithstanding anything to the contrary in this Letter Agreement, MASN may exhibit by Pay Television on MASN taped replays of any Pay Television game, in addition to the original, live telecast of such Pay Television game, provided, however, that any taped replay must begin no more than forty-eight (48) hours after such Pay Television game was actually concluded, but not after the start of the next regularly scheduled game.

b. Exclusivity And Use. MASN shall have the exclusive right to telecast games of the Team in the Territory through Pay Television. Further, MASN will have the exclusive rights as to all distribution media without limitation to telecast the games of the Team for which Owner has granted rights under Section 3(a). Owner shall not grant to any other entity the right to telecast or otherwise distribute in the Territory any games of the Team other than games not licensed to MASN hereunder which may be distributed only on free over-the-air broadcast television. MASN shall have the right to distribute excerpts and highlights of the games licensed to MASN to third parties for telecast within or outside the Territory. Owner shall retain the right to distribute excerpts of such games for promotional purposes, additional media news coverage, team anthologies and similar purposes.

c. Exclusivity Of Team On Channel. The Team shall be the exclusive local MLB team telecast on a regular basis within the Territory on MASN's premier regional sports service channel which carries such games of the Team, and such channel shall contain a greater number in the aggregate of the games of the Washington Capitals and Washington Wizards than any other channel offered by MASN, which other channel must also be owned by MASN, for so long as the Washington Capitals and Washington Wizards are located in the Washington Metropolitan Area and MASN has the rights to their games.

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d. Ancillary Programming. Owner also grants to MASN the right to develop ancillary programming related to the Team such as pre- and post-game shows, coaches shows, sports news, sports talk, specials, player profiles, and children's programming. MASN shall consult with Owner in good faith regarding the development of such programming.

e. Limitations Of Grant Of Rights. The Parties acknowledge that this Letter Agreement and any grant of rights hereunder are subject to the approval of the Commissioner's Office of MLB. Owner shall use its best efforts to obtain such approval within thirty (30) days after execution of the Letter Agreement by the Parties. All provisions of this Letter Agreement are subject to the MLB Constitution, By-Laws, Rules, Regulations and Board Resolutions and the terms of any existing or future contracts entered into by the MLB for the telecasting of MLB games (collectively "MLB Rules and Agreements"). In the event that any game which would otherwise be scheduled for telecast under this Letter Agreement is unavailable for exclusive telecast because of such MLB Rules or Agreements, the Parties shall treat such game as a canceled game under Section 10(a). To the extent that any change in or additional MLB Rule or Agreement materially adversely affects the rights granted to MASN hereunder, MASN shall be entitled, subject to Section 3(f) hereof, to an equitable adjustment to the fee and/or other relevant terms and conditions and, at the request of MASN, the Parties shall negotiate in good faith an appropriate amendment to their agreement, provided that, if the Parties cannot reach agreement, they will submit the issue to arbitration.

f. Reduction of Territory/Fees. If MLB awards a new franchise for a National League or American League team whose home stadium is to be located within the Territory, and if, as a result of such franchise award, the actual Territory is reduced geographically by the League, Fees payable by MASN under Section 4 shall be subject to the following adjustments:

(i) As of the date on which the Territory is reduced (the "Adjustment Date"), the number of subscribers to Home Team Sports ("HTS") in the lost territory as of June 30, 1996 shall be calculated as a percentage of the total number of subscribers to HTS in the Territory as of June 30, 1996, provided, however, that, if the total number of subscribers to MASN's service exceeds the total number of HTS subscribers as of June 30, 1996, then instead the MASN service subscribers in the lost territory shall be calculated as a percentage of the total number of MASN service subscribers in the Territory immediately prior to the Adjustment Date. So long as that percentage is twenty-five percent (25%) or less, no adjustment in the Fees shall be permitted.

(ii) If the percentage under Subparagraph (i) is greater than twenty-five percent (25%), MASN will have the right to reduce the Fees payable under Section 4 after the Adjustment Date up to a percentage adjustment equal to that percentage by which the percentage of lost subscribers exceeds twenty-five percent (25%). (For example, if the reduction in Territory results in a loss of sixty percent (60%) of the total number of subscribers in the Territory, MASN would have the right to reduce Fees payable under Section 4 after the Adjustment Date by up to thirty-five percent (35%)).

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(iii) The Parties shall negotiate whether, under the particular circumstances of the Territory reduction, the full adjustment permitted by this paragraph should be made, but MASN shall have the final authority in the event of disagreement.

g. Reservation Of Rights. It is expressly understood and agreed by MASN that Owner is reserving all of its rights not specifically conferred upon MASN by this Letter Agreement, and that MASN shall not have any of Owner's rights not specifically conferred upon MASN by this Letter Agreement.

h. Ownership Of Copyrights. The Parties hereby recognize that Owner and/or the League, as specified in agreements between the Team and its League, shall own the worldwide copyright and other property right interests in the games of the Team telecast pursuant to this Letter Agreement, including all rights afforded the copyright owner by the U.S. Copyright Revision Act of 1976, Pub. L. No. 94-553, as amended, and the Canadian Copyright Act, R.S.C. 1984, c42, as amended, with respect to these telecasts, including without limitation with respect to third parties the right to receive royalties distributed pursuant to such acts and the right to sue for infringement. Owner acknowledges and agrees that, while the copyright in the games of the Team distributed hereunder belongs to Owner, the signal transmitting the feed of such games and programs is controlled by, and belongs solely to, MASN. In addition, neither the League nor Owner shall have any rights in or to the "Fox Sports" or any other similar brand name or service mark of MASN or Fox used on the service or in production of the games.

i. Pattern Recognition Technology. MASN shall have no right to utilize pattern recognition technology, including but not limited to that marketed under the trade name Princeton Electronic Billboard ("PEB"), on Team's Pay Television telecasts of home games, without Owner's prior consent.

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July 19, 1996

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4. Fees And Guaranty. MASN shall pay to Owner the following fees during the Term:

1996-1997:	\$11,200,000
1997-1998:	\$11,860,000
1998-1999:	\$12,553,000
1999-2000:	\$13,280,650
2000-2001:	\$14,044,682
2001-2002:	\$16,044,682 + CPI Increase
2002-2003:	Prior Year + CPI Increase
2003-2004:	Prior Year + CPI Increase
2004-2005:	Prior Year + CPI Increase
2005-2006:	Prior Year + CPI Increase

During each of the years set forth above, MASN shall pay the fee to Owner in equal monthly installments during the season of the Team beginning March 1 through September 1 in seven (7) equal payments on the first business day of each such month. If MASN is granted the right to telecast one or more World Series games during the Term, MASN shall pay an additional fee for each such World Series game equal to two hundred percent (200%) of the per-game fee for that year, i.e. the total fee divided by the number of games for which MASN is granted rights multiplied by two (2).

For purposes of this Letter Agreement, "CPI Increase" shall be the percentage increase, if any, by which the Consumer Price Index for the U.S.-All Urban Consumers- U.S. City Average, All Items (or such successor index as the U.S. Department of Labor, Bureau of Labor Statistics, may develop as a successor index), increased during the twelve month period ending December 31 of the calendar year immediately preceding January 1 of the calendar year for which such increase is to be effective. Notwithstanding the foregoing, the CPI Increase under this Section shall not be less than two and one-half percent (2.5%) nor greater than nine percent (9%).

The fees set forth above shall constitute the total rights fees for the regular season and play-off games of the Team. Notwithstanding Section 3(e), to the extent that MLB or any other entity assesses any additional fees for the production or distribution of games of the Team, such as, for example, the assessment of "outer market" fees, Owner shall pay such additional fees.

MASN shall provide a guaranty by an affiliated entity of Liberty/Fox U.S. Sports L.L.C. with a net worth in excess of Five Hundred Million Dollars (\$500,000,000), as certified by the chief financial officer of such entity's ultimate parent entity, of the obligations of MASN under

Mr. Peter G. Angelos
July 19, 1996

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Section 4 of this Letter Agreement. This guaranty shall be reduced to the proportion of MASN's obligations under Section 4 equal to the proportionate equity ownership in MASN of Liberty/Fox U.S. Sports L.L.C. or any affiliate thereof or successor thereto if, after the fifth anniversary of its Effective Date, Owner pays the amounts specified under Section 14 hereof.

5. Signing Advance. As an inducement to Owner to enter into this Letter Agreement, MASN shall pay to Owner a signing advance of Three Million Dollars (\$3,000,000) contemporaneously with the telecast of the first game of the Team under this Letter Agreement. The amount of the signing bonus shall be deducted from the monthly payments due under the second through sixth years of this Letter Agreement (1997-98 through 2001-02 seasons) at a rate of Eighty-Five Thousand Seven Hundred Fourteen Dollars (\$85,714) per monthly installment.

6. Game Production And Distribution.

a. Minimum Games. MASN shall produce and distribute annually on Pay Television the games of the Team as follows: (i) at least five (5) exhibition games; (ii) at least sixty (60) regular season games with at least twenty (20) and no more than thirty (30) of those being away games; and (iii) all available play-off games.

b. Production Standards And Announcer. MASN shall produce the games with a "look" and level of quality consistent with the state of the art for other regional sports network telecasts of MLB games and with those television production standards required by MLB, including a minimum of six (6) cameras (unless and until standard industry practice for regional sports network telecasts utilizes a higher number of cameras), four (4) replay machines, state-of-the-art, high-quality and high-resolution graphic design, and overall high-quality and professional presentation. MASN shall be responsible for the production, backhaul, and transmission costs incurred in producing and distributing the games, provided that Owner gives access to the necessary facilities and utilities. MASN shall select, subject to the approval of Owner, which approval will not be unreasonably withheld, the play-by-play and analysis announcers for the games it produces, and MASN shall include in its contracts with any such announcers of games of the Team any provisions required by MLB rules.

c. Pre-Game Shows. MASN shall produce and telecast the following, provided that Owner grants to MASN the exclusive rights to such programming: (i) a thirty (30) minute pre-game show telecast immediately prior to the scheduled start of all games of the Team exhibited by MASN; and (ii) a thirty (30) minute "Team Magazine" show for each week of the Championship Season.

7. Selection Of Games. During each MLB season, MASN shall select the games to be produced and distributed as follows: (i) Owner shall forward to MASN as soon as reasonably practicable prior to the start of each season a final schedule, including dates, times, participants, and

Mr. Peter G. Angelos
July 19, 1996

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venues and national television schedule of all games to be played by the Team for that season; (ii) MASN shall forward to Owner as soon as reasonably practicable thereafter a schedule of the games for the Team to be produced and distributed for that season; (iii) MASN acknowledges that other broadcasting entities designated by Owner may be making game selections contemporaneously, agrees that Owner, MASN and those other entities shall meet and communicate in good faith to resolve competing selections, and agrees that Owner shall be entitled to exercise its reasonable discretion in scheduling and concluding that process; and (iv) to the extent that any games in MASN's proposed schedule conflict with games selected for distribution by a national network, MASN shall have the right, but not the obligation, to select substitute game(s) and, if permitted by the national network agreement, to simulcast such game(s). In selecting games for production and distribution, MASN shall first attempt to select home games during prime time on weekdays and during weekends and no fewer than twenty (20) away games during prime time on weekdays and during weekends. In selecting games, MASN shall have priority over any rights holder for standard broadcast television for all home games; the standard broadcast television rights holder shall have such priority for all away games. MASN shall also attempt to give priority to the production and distribution of any game(s) of the Team that have recognized play-off consequences. MASN shall take into consideration the Team's marketing and promotional objectives, but MASN's final schedule of games shall be determined in its discretion subject only to the minimum commitment in Section 6(a) and the provisions as to priority in this Section.

8. Advertising. MASN shall have the exclusive right to sell all commercial time and value-added commercial enhancements within each game and other programming produced by MASN. MASN has sole discretion to establish advertising rates and packages. Notwithstanding the foregoing, if requested by Owner, MASN shall consult with Owner and give priority to significant advertisers of the Team in the selection of advertising time on the games of the Team telecast on Pay Television, provided that such priority shall be subject to MASN's then-existing agreements for advertising. All advertisements on the games exhibited by MASN shall be subject to the rules, regulations, and advertising standards of MLB, the Office of the Commissioner of Baseball, and the American League. MASN shall make available to Owner two (2) minutes of advertising time during each game telecast by MASN on Pay Television for advertising sales of tickets for games of the Team, promotion of the Team, and promotion of special events of the Team, provided that there is no conflict with an exclusive sponsor of advertising. In the event of such conflict, MASN will attempt in good faith to cooperate with Owner to minimize such conflict. MASN also shall provide a minimum of six (6) live promotional audio and video drop-ins per game telecast by MASN for the marketing of the Team. MASN and Owner will cooperate in good faith to coordinate and develop multimedia advertising packages.

9. Promotion.

a. Signage. Owner shall provide, subject to preemption for League telecasts, signage to MASN for all games of the Baltimore Orioles, one (1) sign along each of the first and third base lines, provided that each sign shall be no greater than ten (10) square feet, and the graphic design shall be subject to the reasonable approval of Owner.

b. Tickets For League Games. Owner shall provide to MASN at no charge twenty-four (24) tickets for best available seats to each home game of the Team. In addition, MASN shall purchase, at Owner's option, tickets for twenty-four (24) comparable seats at regular face value.

c. Skybox. If a skybox becomes available at Camden Yard, MASN shall have a right of first refusal to purchase the rights to such skybox at market price.

d. Ad Avails. MASN shall provide to Owner on the programming service on which the games of the Team are carried for distribution on Pay Television four hundred (400) thirty (30) second advertising avails during time periods other than telecasts of games of the Team during each Championship Season for promotion of Team games carried on the service, advertising sales of tickets for games of the Team, promotion of the Team, and promotion of special events of the Team, provided that there is no conflict with an exclusive sponsor of advertising. In the event of such conflict, MASN will attempt in good faith to cooperate with Owner to minimize such conflict.

e. Joint Promotions. MASN and Owner shall work together to create joint promotions (such as contests, free trips to spring training and fan participation events) for both MASN and Owner.

f. Mailings. MASN, at its sole expense, shall include in mailings, if any, by MASN to MASN subscribers Owner's promotional literature prepared at Owner's expense. Any such mailings to MASN subscribers may require the approval and/or cooperation of Pay Television system operators and must be of a number and frequency subject to the reasonable approval of MASN.

10. Cancellation, Labor Disputes, And Relocation.

a. Rescheduling Games Canceled For Weather And Other Causes. If a game scheduled to be telecast is canceled for weather or any other reason, except a labor dispute, MASN shall make appropriate courtesy announcements from time to time during the period in which such game was scheduled, explaining that the game has been canceled. No substitute programming shall be furnished by Owner in the event of a canceled game, and Owner shall incur no other liability for cancellation, provided, however, that, if a game scheduled to be telecast is canceled, MASN shall

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have the right to select an alternate game for telecast. If no games remain available during the existing year's schedule, MASN shall be permitted to reschedule such alternate game for telecast during the subsequent year.

b. Labor Disputes. Should the cancellation of games result from a labor dispute, MASN's obligation to produce and distribute games under Section 6(a) and the fee payable under Section 4 will be reduced by a proportion equal to the number of scheduled games canceled to the total number of games scheduled to be carried. If the Team continues play with replacement players, MASN and Owner shall negotiate in good faith to reduce MASN's obligation under Section 6(a) and the fee payable under Section 4, and, if the Parties cannot reach agreement, such obligation and fee shall be proportionately reduced by the proportional decrease in the ratings for replacement games of the Team.

c. Relocation Of Team. If for any reason Owner plans to discontinue operations or move the Team out of the Baltimore-Washington Metropolitan Area during the Term or make a commitment during the Term to discontinue or move out effective during the Term, Owner shall give MASN written notice of such intent to move or to discontinue operations immediately after making such decision (even in the event that such decision might yet require an application to and approval of the Commissioner's Office of MLB or any other entity). In such instance, MASN shall have the right to: (i) assign this Letter Agreement to an affiliated entity that is or will serve the area to which the Team relocates; or (ii) terminate this Letter Agreement by delivering written notice of same to Owner (such termination to be effective as outlined in such written notice) and, except for accrued, but undischarged, obligations and except as provided in the following sentence, this Letter Agreement shall be terminated and neither Party hereto shall have any further obligation hereunder.

11. Packaging. MASN shall package the games of the Team produced for distribution by cable television and media other than free over-the-air broadcast television on a programming service which includes: (i) games of other professional sports team(s) in the Mid-Atlantic Region, including at least the Washington Wizards (presently known as the "Washington Bullets") and the Washington Capitals (provided that the Washington Wizards and the Washington Capitals remain located in the Washington Metropolitan Area); and (ii) other sports programming available from Fox Sports Net, including the nightly and weekend Fox Sports News Show, men's college football and basketball and Major League Baseball games, and related programming provided for national distribution to regional sports networks. However, all such programming carried by MASN on such regional sports network other than Washington Wizards and Washington Capitals games of play-off significance (except that the Orioles' opening day game shall take precedence) and all play-off and championship games shall be subject to preemption for scheduled games of the Team unless otherwise consented to by Owner.

Mr. Peter G. Angelos
July 19, 1996

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12. Termination. In addition to their other rights at law or in equity, or pursuant to other provisions of this Letter Agreement, either Party may terminate this Letter Agreement upon written notice to the other if: (i) the other Party is in material breach of this Letter Agreement and such breach is not cured within sixty (60) days after receipt of written notice from the Party seeking to terminate; (ii) the other Party has filed a petition in bankruptcy, is insolvent, or has sought relief under any law for inability to meet its payment obligations; or (iii) any involuntary petition in bankruptcy has been filed against the other Party unless such involuntary petition is dismissed within sixty (60) days after it has been filed. In addition, MASN shall have the right to terminate this Letter Agreement in the event that: (i) MLB does not approve this Letter Agreement within thirty (30) days as provided for in Section 3(e) hereof; (ii) the rights, if any, of Westinghouse Broadcasting Company to which this Letter Agreement is subject pursuant to Section 19 hereof materially adversely affect the rights of MASN under this Letter Agreement; and/or (iii) the NBA and NHL, as applicable, do not approve the separate letter agreements, both dated July 19, 1996, between MASN, on the one hand, and Washington Capitals L.P., Washington Bullets L.P., D.C. Arena L.P., and Centre Group Limited Partnership, on the other, or any such agreements are otherwise not final and enforceable.

13. Force Majeure. Subject to the provisions of Section 10, either Party shall be excused from performing its obligations hereunder to the extent it is unable to perform due to fire, flood, earthquake, power blackout, war, state of national emergency, act of God, labor dispute (except as provided in Section 10(b)) signal interruption or any other cause beyond the reasonable control of such party, provided that the non-performing Party gives prompt notice to the other Party of: (i) its inability to perform; and (ii) the reasons for such non-performance.

14. Membership Interest In MASN. Upon execution of this Letter Agreement by both Parties, Owner shall have a thirty-eight percent (38%) membership interest in MASN in consideration of Owner's entering into this Letter Agreement. Owner agrees that Liberty/Fox U.S. Sports L.L.C. shall have the sole day-to-day and overall responsibility and authority for the management of MASN, including, but not limited to, the authority to engage in related party transactions and to provide services and programming to MASN at fair market value and to charge MASN a reasonable management fee (which fee shall be subject to Owner's consent not to be unreasonably withheld), provided that Owner must approve: (i) any major capital expenditures of MASN which are defined as expenditures in excess of Five Million Dollars (\$5,000,000); (ii) any financing or refinancing of MASN; and (iii) any sale of substantially all of the equity or assets of MASN. For the first five (5) years after the Effective Date, MASN's losses shall be funded by Liberty/Fox U.S. Sports L.L.C. through debt with interest at the prime rate (such financing being deemed approved by Owner) and without recourse to Owner, which debt shall be repaid prior to any distribution of capital or dividends by MASN. During the period for fifteen (15) days after the fifth anniversary of the Effective Date of this Letter Agreement, Owner shall either: (i) put its thirty-eight percent (38%) membership interest to MASN at a price equal to Ten Million Dollars (\$10,000,000); or (ii) pay to MASN an amount equal to Seven Million One Hundred Thousand Dollars (\$7,100,000)

Mr. Peter G. Angelos
July 19, 1996

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plus thirty-eight percent (38%) of all losses of MASN less thirty-eight percent (38%) of all distributions of capital and dividends to the members in MASN plus interest at the prime rate since the date any losses exceeding distributions were incurred. If MASN is not given written notice of Owner's election under the preceding sentence within such fifteen (15) days, Owner will be deemed to have elected to put its interest to MASN pursuant to (i). In the event any member of MASN determines to sell its interest in MASN, such selling member must offer the other members a right of first refusal to purchase that interest for cash upon terms no less favorable to the purchaser than those on which such member determines to sell.

15. Confidentiality. Except: (i) where a Party to this Letter Agreement is ordered by a court or governmental or quasi-governmental agency of competent jurisdiction to the contrary; (ii) for disclosures to a financial institution or other entity providing a material credit facility to a party hereto; (iii) for disclosures by the Team to the Commissioner's Office; or (iv) when necessary to enforce or exercise the rights granted to a Party hereunder, the Parties hereto agree that this Letter Agreement is confidential and that no Party hereto shall disclose, publish, or otherwise disseminate the terms, provisions, or substance of this Letter Agreement to any person or entity other than the members, partners, officers, directors, attorneys, insurance agents, employees having a need to know, and accountants of the Parties hereto.

16. Right To Match. Prior to the last year of the Term, MASN has the right to negotiate exclusively and during the last year nonexclusively for an extension of this Letter Agreement or a new agreement. If Owner and MASN do not reach an agreement and Owner thereafter receives a bona fide written offer from a third party for the telecast rights for the games of the Team, Owner shall promptly forward such offer to MASN and MASN shall have the right to match such offer within thirty (30) days thereafter and obtain the offered rights. In order to allow for a fair comparison of offers, Owner agrees to entertain only those offers for the rights for the games of the Team which are for a fixed term of no less than three (3) years and in which all elements are reasonably reducible to a cash value, matchable in cash, and reasonably related to the grant of rights therein. This provision will survive expiration of this Letter Agreement.

17. Assignment. Except as set forth herein, neither MASN nor Owner shall assign, pledge, mortgage, or otherwise hypothecate this Letter Agreement or any right or interest hereunder (except for a collateral assignment of the proceeds of this Letter Agreement, but not of any right to become a party to this Letter Agreement) without first obtaining the written consent of the other Party, which consent shall not be unreasonably withheld. Notwithstanding the foregoing: (i) MASN may assign this Letter Agreement to any entity owned or controlled by MASN, Liberty/Fox U.S. Sports L.L.C. or Fox, Inc., and the Team may assign this Letter Agreement to any entity that owns the franchise for the Team, provided that, in each case, such assignee affirmatively assumes in writing the obligations of the assignor hereunder; and (ii) in the event that MASN assigns this Letter Agreement to Washington Capitals L.P., Washington Bullets L.P., D.C. Arena L.P., and Centre Group Limited Partnership under that certain letter agreement dated July 19, 1996, Owner's consent

Mr. Peter G. Angelos
July 19, 1996

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is not required, and neither Fox, Inc., with respect to the guaranty in Section 4, nor MASN shall have any further obligation or liability hereunder to Owner or Team. In the event of any permitted assignment, the assignor thereafter shall be released from any obligation or liability hereunder which accrues after the effective date of such assignment.

18. Merchandising Rights.

a. Use Of Team's Names, Insignia And Marks. Subject to the copyright protection and ownership provisions, MASN shall have a limited right and license during the Term of this Letter Agreement to use the Team's names, insignia and marks, subject to Owner's prior approval, for the purpose of promoting the Team telecasts on MASN's programming service and/or Pay Television affiliates. Owner, in its sole discretion, may also permit those advertisers who purchase at least Two Hundred Fifty Thousand Dollars (\$250,000) per year of advertising on MASN's Team telecasts to use the Team's names, insignia and marks, subject to the prior approval of Owner and Major League Properties. This Section and the rights granted hereunder are subject to all Major League Rules with respect to the use of Team's names, insignia and marks.

b. Access To Team Personnel. Owner shall, at MASN's request, use all reasonable efforts to provide players, Team personnel and front office officials to MASN at the preferred Team in-house rate for non-commercial promos, photo shoots and appearances, on a reasonable basis. MASN recognizes that commercial appearances may continue to carry an appearance fee, in accordance with customary practice, and MASN will pay all such appearance fees.

c. Ballpark Monitors. Owner and MASN shall cooperate to develop a system to deliver finished video feeds to television monitors in the ballpark without advertising. Where practical, Owner shall provide the audio portion to accompany such video feed.

19. HTS Agreement This Letter Agreement is subject to the rights, if any, of Westinghouse Broadcasting Company under Section 15 of the agreement dated January 1, 1994 between Westinghouse Broadcasting Company and the Baltimore Orioles Limited Partnership.

20. Guaranty. The Baltimore Orioles Limited Partnership, which owns the Baltimore Orioles Team, guarantees the obligations of Owner under this Letter Agreement for the Term.

* * *

Mr. Peter G. Angelos
July 19, 1996

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Each Party represents that the person executing this Letter Agreement on its behalf is duly authorized to do so and that such execution is binding upon each Party. However, the obligations of Owner under this Letter Agreement (except as guaranteed) shall be limited to the assets of Owner and no personal liability shall extend to any partner of Owner. The Parties shall use good faith efforts to enter into a long form of agreement incorporating these terms and conditions on or before September 1, 1996. However, upon execution by the Parties, this Letter Agreement shall be binding upon the Parties and govern their conduct until such time as the Parties enter into a long form of agreement. This Letter Agreement may be executed in one or more identical counterparts, and all of such counterparts, when taken together, shall be deemed to constitute the original of this Letter Agreement.

Very truly yours,

MID-ATLANTIC SPORTS NETWORK L.L.C.

By: [Signature]
Name: James A. Martin
Title: Executive Vice President

THE BALTIMORE ORIOLES
LIMITED PARTNERSHIP
(as to guaranty in Section 20 only)
By: Baltimore Orioles, Inc.,
Managing general partner

FOX, INC. (as to guaranty in Section 4 only)

By: _____
Name: Peter G. Angelos
Title: President

By: _____
Name: _____
Title: _____

Agreed and accepted
this ____ day of ____, 1996:

TCR SPORTS BROADCASTING HOLDING L.L.P.

By: _____
Name: Peter G. Angelos
Title: Partner in L.L.P.

ORIOLES.JTH

Mr. Peter G. Angelos
July 19, 1996

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Each Party represents that the person executing this Letter Agreement on its behalf is duly authorized to do so and that such execution is binding upon each Party. However, the obligations of Owner under this Letter Agreement (except as guaranteed) shall be limited to the assets of Owner and no personal liability shall extend to any partner of Owner. The Parties shall use good faith efforts to enter into a long form of agreement incorporating these terms and conditions on or before September 1, 1996. However, upon execution by the Parties, this Letter Agreement shall be binding upon the Parties and govern their conduct until such time as the Parties enter into a long form of agreement. This Letter Agreement may be executed in one or more identical counterparts, and all of such counterparts, when taken together, shall be deemed to constitute the original of this Letter Agreement.

Very truly yours,

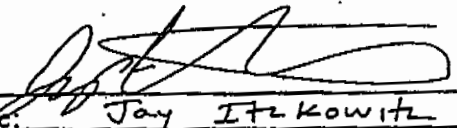
MID-ATLANTIC SPORTS NETWORK L.L.C.

By: _____
Name: James A. Martin
Title: Executive Vice President

THE BALTIMORE ORIOLES
LIMITED PARTNERSHIP
(as to guaranty in Section 20 only)
By: Baltimore Orioles, Inc.,
Managing general partner

FOX, INC. (as to guaranty in Section 4 only)

By: _____
Name: Peter G. Angelos
Title: President

By:  _____
Name: Jay Itzkowitz
Title: Senior Vice President

Agreed and accepted
this ____ day of ____, 1996:

TCR SPORTS BROADCASTING HOLDING L.L.P.

By: _____
Name: Peter G. Angelos
Title: Partner in L.L.P.

Mr. Peter G. Angelos
July 19, 1996

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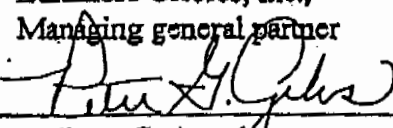
Each Party represents that the person executing this Letter Agreement on its behalf is duly authorized to do so and that such execution is binding upon each Party. However, the obligations of Owner under this Letter Agreement (except as guaranteed) shall be limited to the assets of Owner and no personal liability shall extend to any partner of Owner. The Parties shall use good faith efforts to enter into a long form of agreement incorporating these terms and conditions on or before September 1, 1996. However, upon execution by the Parties, this Letter Agreement shall be binding upon the Parties and govern their conduct until such time as the Parties enter into a long form of agreement. This Letter Agreement may be executed in one or more identical counterparts, and all of such counterparts, when taken together, shall be deemed to constitute the original of this Letter Agreement.

Very truly yours,

MID-ATLANTIC SPORTS NETWORK L.L.C.

By: _____
Name: James A. Martin
Title: Executive Vice President

THE BALTIMORE ORIOLES
LIMITED PARTNERSHIP
(as to guaranty in Section 20 only)
By: Baltimore Orioles, Inc.,
Managing general partner

By: 
Name: Peter G. Angelos
Title: President

FOX, INC. (as to guaranty in Section 4 only)

By: _____
Name: _____
Title: _____

Agreed and accepted
this ____ day of ____, 1996:

TCR SPORTS BROADCASTING HOLDING L.L.P.

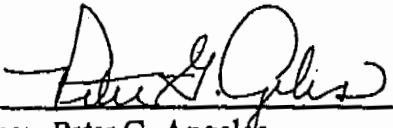
By: 
Name: Peter G. Angelos
Title: Partner in L.L.P.

EXHIBIT A TO LETTER AGREEMENT DATED JULY 19, 1996
BETWEEN MID-ATLANTIC SPORTS NETWORK, L.L.C. AND
TCR SPORTS BROADCASTING HOLDING L.L.P.

BALTIMORE ORIOLES
HOME TELEVISION TERRITORY

State of Maryland

Washington, DC

State of Virginia

State of Delaware

West Virginia Counties:

Grant	Morgan
Hardy	Berkeley
Mineral	Jefferson
Hampshire	

York/Harrisburg/Lancaster Pennsylvania ADI
counties:

Adams	Lebanon
Cumberland	Mifflin
Dauphin	Perry
Juniata	York
Lancaster	

Eastern North Carolina from Winston Salem/Charlotte, including Winston Salem/Charlotte

All other areas where local or regional telecasts are distributed as of the date hereof

The above Territory contains some areas that are exclusive to the Orioles and some areas that are non-exclusive to the Orioles vis-a-vis other teams.

B

July 19, 1996

Mr. Peter G. Angelos
TCR Sports Broadcasting Holding, L.L.P.
300 East Lombard Street
Baltimore, Maryland 21202

Re: Telecast License Agreement

Dear Mr. Angelos:

Concurrently with this letter, you have executed a letter agreement (the "Agreement") on behalf of TCR Sports Broadcasting Holding, L.L.P. ("TCR") with Mid-Atlantic Sports Network L.L.C. ("MASN"). This letter is to confirm to you that, so long as the substance of the Agreement is maintained and the rights of MASN are protected, TCR may modify its relationships and agreements with related parties and add those parties as parties to the Agreement, in order to provide it with flexibility of structure in its performance of the terms of the Agreement.

Very truly yours,

Mid-Atlantic Sports Network L.L.C.

By: 

James A. Martin

Executive Vice President

C

AGREEMENT ACKNOWLEDGING ACCEPTANCE

This Agreement is entered into this 8th day of October, 1996, between: (i) Home Team Sports Limited Partnership, a Delaware limited partnership, and Westinghouse Electric Corporation, a Pennsylvania corporation (sometimes collectively referred to as "HTS"); and (ii) Baltimore Orioles Limited Partnership, a Maryland limited partnership, and TCR Sports Broadcasting Holding L.L.P., a Maryland limited partnership (sometimes collectively referred to as the "Orioles").

WHEREAS, on January 1, 1994, the Orioles entered into a Telecast Rights Agreement with Westinghouse Broadcasting Company, Inc. which agreement subsequently was assigned to Westinghouse Electric Corporation (the "HTS Agreement");

WHEREAS, Section 15.1 of the HTS Agreement grants HTS a right of first refusal with respect to any bona fide offer the Orioles might receive concerning Pay Television Rights rights to the Orioles' games after the expiration of the exclusive negotiating period specified in Section 15.1 of the HTS Agreement;

WHEREAS, on July 19, 1996, the Orioles and Mid-Atlantic Sports Network LLC ("MASN") entered into a Telecast License Agreement (the "MASN Agreement") concerning the Pay Television Rights of the Orioles on the terms and conditions specified in the MASN Agreement;

WHEREAS, pursuant to HTS' rights as expressed in Section 19 of the MASN Agreement and Section 15 of the HTS Agreement, the Orioles delivered the MASN Agreement to HTS on July 22, 1996;

WHEREAS, by letter to the Orioles dated September 17, 1996, HTS advised the Orioles that it elected to exercise the right of first refusal under section 15 the HTS Agreement by accepting the

offer of the Orioles for the Pay Television Rights specified in the MASN Agreement on the terms contained therein. With respect to the membership interest provided for in Paragraph 14 of the MASN Agreement, HTS agreed to pay to the Orioles an additional \$10,000,000 in fees payable in five annual installments of \$2,000,000 each commencing in the first year of the agreement with HTS in lieu of the membership interest, and

WHEREAS, HTS, in its September 17, 1996 letter, agreed to carry the Fox Sports Net programming provided for in Paragraph 11 of the MASN Agreement to the extent it could be accommodated into the HTS schedule if it could reach an agreement with Fox Sports Net for distribution on reasonable commercial terms which reflect fair market value,

WHEREAS, by its letter dated September 17, 1996, HTS exercised its right of first refusal and accepted transfer of the Pay Television Rights at the price and upon the terms set forth in the Offer Notice (the "Acceptance"),

WHEREAS, the parties wish to provide for the contingency that a third party may challenge the validity of the Acceptance, and

NOW, THEREFORE, HTS and the Orioles agree as follows:

1. The Orioles acknowledge that the Acceptance is valid and agree to act in a manner consistent with said acknowledgment.
2. Effective on the date hereof, the terms and conditions of the MASN Agreement are incorporated herein by reference, except that (i) HTS is substituted for MASN in all instances; (ii) Westinghouse Electric Corporation is substituted for Fox, Inc. in all instances; (iii) HTS and the Orioles shall be subject to the terms and conditions of the MASN Agreement; (iv) the right afforded MASN in the MASN Agreement to terminate the MASN Agreement if MASN's agreement with the

Washington Capitals L.P., Washington Bullets L.P., D.C. Arena L.P., and Centre Group Limited Partnership Broadcasting L.L.P. (the "Bullets/Capitals Agreement") is not final and enforceable shall not inure to HTS and shall not be a part of the agreement between HTS and the Orioles; and (v) the terms and conditions of the MASN Agreement shall be deemed clarified in accordance with the HTS letter of September 17, 1996.

3. HTS and Westinghouse Electric Corporation, jointly and severally, shall and do hereby agree to indemnify the Orioles, each of the entities comprising the Orioles, and their respective partners, employees, predecessors, successors, assigns, agents, representatives, attorneys and/or affiliates (the "Orioles-Related Entities and Persons") for any losses, liabilities, obligations, damages, expenses or costs (including counsel fees) incurred by them or any of them directly or indirectly arising out of or related in any way to any one or more of the MASN Agreement, MASN's agreements with the Washington Bullets and Washington Capitals and this Agreement, including any claim, contention, or allegation (in contract, tort or otherwise) asserted by MASN, or any of its owners, shareholders, officers, partners, employees, predecessors, successors, assigns, agents, directors, representatives, attorneys, divisions, subsidiaries or affiliates (the "MASN-Related Entities and Persons"), that HTS's exercise of its right of first refusal was ineffective, invalid, unenforceable or improper for any reason or in any respect. Notwithstanding the foregoing, neither HTS nor Westinghouse Electric Corporation shall be liable to indemnify the Orioles or any Orioles-Related Entity or Person for any losses, liabilities, obligations and damages (excluding expenses and costs of defense of litigation) which arise out of a final adjudication by a court of competent jurisdiction that is based solely upon an express finding of fraud or other acts of intentional tortious misconduct by the Orioles and the Orioles-Related Entities or Persons arising from facts or circumstances

unknown or not disclosed to HTS as of the date hereof. HTS and Westinghouse Electric Corporation shall have the obligation to defend the Orioles and Orioles-Related Entities and Persons with respect to any claim, contention or allegation asserted by MASN or any MASN-Related Entities or Persons against the Orioles or any Orioles-Related Entities and Persons. No such claim shall be settled without the prior written consent of HTS and Westinghouse Electric Corporation.

4. HTS's rights of termination under the last sentence of Paragraph 12 of the MASN Agreement have expired and/or hereby waived.

5. This Agreement shall be construed in accordance with the laws of the State of Maryland.

6. This Agreement may be executed simultaneously or in counterparts, each of which shall be deemed an original.

BALTIMORE ORIOLES LIMITED PARTNERSHIP

By: Baltimore Orioles, Inc., General Partner

Name: Peter H. Angelos President

Title: _____

TCR SPORTS BROADCAST HOLDING L.L.P.

By: _____

Name: Peter H. Angelos L.L.P.

Title: _____

HOME TEAM SPORTS LIMITED PARTNERSHIP

By: Westinghouse Electric Corporation, its general partner

By: Donald H. Mitzner

Name: Donald H. Mitzner

Title: President, Group W Satellite Communications

WESTINGHOUSE ELECTRIC CORPORATION

By: Donald H. Mitzner

Name: Donald H. Mitzner

Title: President, Group W Satellite Communications

D

GROUP W SATELLITE COMMUNICATIONS

Writinghouse Broadcasting Company, Inc.
250 Hillwood Drive, Stamford, CT 06904-2210 (203) 545-6000

Donald H. Miltner
President

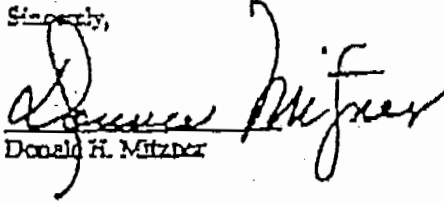
October 9, 1996

Mr. Peter G. Angelos
Baltimore Orioles Limited Partnership
TCR Sports Broadcast Holding L.L.P.
300 East Lombard Street
Baltimore, MD 21202

Dear Mr. Angelos:

On October 8, 1996 the Orioles and Home Team Sports signed and delivered the Agreement Acknowledging Acceptance. The purpose of this letter is to memorialize the parties further agreements in order to obtain the approval of the Telecast Agreement by Major League Baseball as is required by the League. The parties understand and agree to the modifications referenced in the League's correspondence of August 2, 1996, a copy of which is attached hereto, including the pertinent sections of the League's copyright and subservience language. The latter Agreement shall be considered as an amendment to the Telecast Agreement in all relevant sections.

Sincerely,


Donald H. Miltner

Agreed by all parties:

~~BALTIMORE ORIOLES LIMITED PARTNERSHIP~~

By: Baltimore Orioles, Inc., General Partner By: Writinghouse Electric Corporation,

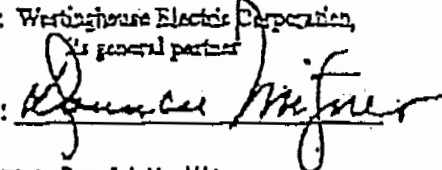
Name: 

Title: President

~~HOME TEAM SPORTS LIMITED PARTNERSHIP~~

By: Writinghouse Electric Corporation,

its general partner

By: 

Name: Donald H. Miltner

~~TCR SPORTS BROADCAST HOLDING L.L.P.~~

By: 

Name: 

Title: Limited Liability Partner

Title: President, Group W Satellite Communications

~~WRITINGHOUSE ELECTRIC CORPORATION~~

By: 

Name: Donald H. Miltner

Title: President, Group W Satellite Communications

Office of the Commissioner
MAJOR LEAGUE BASEBALL



August 2, 1996

Mr. Mike Lehr
Executive Director, Marketing & Broadcasting
Baltimore Orioles
Oriole Park at Camden Yards
333 West Camden Street
Baltimore, MD 21201-2435

Dear Mike:

As we discussed, the Telecast License agreement between MASN and TCR Sports Broadcasting Holding cannot be approved by this office until the following additions and/or modifications are made:

1. Subservience to National Rights Agreements

Sec. 3, e Limitations of Grant of Rights clause must be revised. The second sentence should be deleted and at that point, insert the required MLB subservience language attached.

2. Copyright

Sec. 3, h Delete entirely and insert required copyright language with no additions to same.

3. Definitions

Sec. 1, b Pay Television must be narrowed to make it clear that distribution rights specifically exclude any on line or computer network distribution.

Page 2
Mr. Mike Lehr

4. Grant of Rights

Sec. 3, b Exclusivity and Use

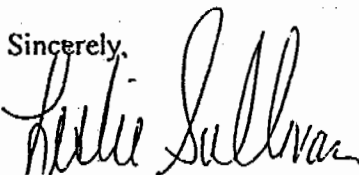
As discussed, most is already covered in 3, a but you should again, narrow the distribution and limit to within Territory only as we discussed. Also, you should not be limited in how you may utilize your own copyrighted material. I would suggest you retain full rights.

I have attached a copy of the agreement with my handwritten comments in the margins. Also attached is the required language cited above.

Please call should you have any questions or need anything further.

Thanks, Mike.

Sincerely,

A handwritten signature in cursive script, appearing to read "Leslie Sullivan".

Leslie Sullivan
Director of Broadcasting

cc: Tom Ostertag

Leslie Sullivan's
NOTES

July 19, 1996

Mr. Peter G. Angelos
TCR Sports Broadcasting Holding, L.L.P.
300 East Lombard Street, 18th Floor
Baltimore, Maryland 21202

Re: Telecast License Agreement

Dear Mr. Angelos:

This binding Letter Agreement sets forth the terms and conditions of the Telecast License Agreement between Mid-Atlantic Sports Network L.L.C. ("MASN"), a Delaware Limited Liability Company, and TCR Sports Broadcasting Holding, L.L.P. ("Owner"), a Maryland limited liability partnership (collectively the "Parties"), pursuant to which MASN will telecast certain professional baseball games in which the Baltimore Orioles Team is participating.

In consideration of the mutual covenants set forth herein, which the Parties acknowledge to be good and sufficient consideration, the Parties agree as follows:

1. Definitions.

a. "Territory" means all territories designated on Exhibit A, attached hereto.

b. "Pay Television" means any method, whether presently existing or hereafter developed, for the transmission or exhibition (whether microwave, satellite, over-the-air, fiberoptic, or otherwise) of television signals other than by means of Standard Broadcast Television, and shall include without limitation cable television (basic, premium, etc.), over-the-air pay television, multipoint and multichannel multipoint distribution system television, direct broadcast satellite television, subscription television, master antenna and satellite master antenna television, local multipoint distribution service, open video system, home satellite dish or television receive-only satellite, and pay-per-view television, provided that, for purposes of this Letter Agreement, Pay Television shall not include Closed Circuit Television.

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Mr. Peter G. Angelos
July 19, 1996

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2. Term. This Letter Agreement shall commence as of November 1, 1996 ("Effective Date") upon execution by the Parties and shall extend until thirty (30) days after the final game of the MLB World Series in 2006 (the "Term").

3. Grant of Rights.

a. Game Exhibition Rights. Owner hereby grants to MASN the sole and exclusive right and license to produce and exhibit on Pay Television, the exhibition season, the regular season and available play-off games of the Baltimore Orioles (the "Team"), as it may be renamed during the Term, within the Territory. For each year during the Term, Owner grants such rights for the following numbers of games of the Team: (i) eight (8) exhibition season games; (ii) eighty-five (85) regular season games; and (iii) all available play-off and championship games. MASN shall have exclusive pay-per-view rights for the games of the Team to which it has been granted the rights under this Section 3(a), provided that its exercise of those rights shall be subject to Owner's prior written consent, and MASN shall have a right of first refusal for the pay-per-view rights to the other games of the Team. Notwithstanding anything to the contrary in this Letter Agreement, MASN may exhibit by Pay Television on MASN taped replays of any Pay Television game, in addition to the original, live telecast of such Pay Television game, provided, however, that any taped replay must begin no more than forty-eight (48) hours after such Pay Television game was actually concluded, but not after the start of the next regularly scheduled game.

b. Exclusivity And Use. MASN shall have the exclusive right to telecast games of the Team in the Territory through Pay Television. Further, MASN will have the exclusive rights as to all distribution media without limitation to telecast the games of the Team for which Owner has granted rights under Section 3(a). Owner shall not grant to any other entity the right to telecast or otherwise distribute in the Territory any games of the Team other than games not licensed to MASN hereunder which may be distributed only on free over-the-air broadcast television. MASN shall have the right to distribute excerpts and highlights of the games licensed to MASN to third parties for telecast within or outside the Territory. Owner shall retain the right to distribute excerpts of such games for promotional purposes, additional media news coverage, team anthologies and similar purposes.

c. Exclusivity Of Team On Channel. The Team shall be the exclusive local MLB team telecast on a regular basis within the Territory on MASN's premier regional sports service channel which carries such games of the Team, and such channel shall contain a greater number in the aggregate of the games of the Washington Capitals and Washington Wizards than any other channel offered by MASN, which other channel must also be owned by MASN, for so long as the Washington Capitals and Washington Wizards are located in the Washington Metropolitan Area and MASN has the rights to their games.

Mr. Peter G. Angelos
July 19, 1996

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Pay Tels. on the service
distribution via MASN in territory only

d. Ancillary Programming. Owner also grants to MASN the right to develop ancillary programming related to the Team such as pre- and post-game shows, coaches shows, sports news, sports talk, specials, player profiles, and children's programming. MASN shall consult with Owner in good faith regarding the development of such programming.

e. Limitations Of Grant Of Rights. The Parties acknowledge that this Letter Agreement and any grant of rights hereunder are subject to the approval of the Commissioner's Office of MLB. Owner shall use its best efforts to obtain such approval within thirty (30) days after execution of the Letter Agreement by the Parties. All provisions of this Letter Agreement are subject to the MLB Constitution, By-Laws, Rules, Regulations and Board Resolutions and the terms of any existing or future contracts entered into by the MLB for the telecasting of MLB games (collectively "MLB Rules and Agreements"). In the event that any game which would otherwise be scheduled for telecast under this Letter Agreement is unavailable for exclusive telecast because of such MLB Rules or Agreements, the Parties shall treat such game as a canceled game under Section 10(a). To the extent that any change in or additional MLB Rule or Agreement materially adversely affects the rights granted to MASN hereunder, MASN shall be entitled, subject to Section 3(f) hereof, to an equitable adjustment to the fee and/or other relevant terms and conditions and, at the request of MASN, the Parties shall negotiate in good faith an appropriate amendment to their agreement, provided that, if the Parties cannot reach agreement, they will submit the issue to arbitration.

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f. Reduction of Territory/Fees. If MLB awards a new franchise for a National League or American League team whose home stadium is to be located within the Territory, and if, as a result of such franchise award, the actual Territory is reduced geographically by the League, Fees payable by MASN under Section 4 shall be subject to the following adjustments:

(i) As of the date on which the Territory is reduced (the "Adjustment Date"), the number of subscribers to Home Team Sports ("HTS") in the lost territory as of June 30, 1996 shall be calculated as a percentage of the total number of subscribers to HTS in the Territory as of June 30, 1996, provided, however, that, if the total number of subscribers to MASN's service exceeds the total number of HTS subscribers as of June 30, 1996, then instead the MASN service subscribers in the lost territory shall be calculated as a percentage of the total number of MASN service subscribers in the Territory immediately prior to the Adjustment Date. So long as that percentage is twenty-five percent (25%) or less, no adjustment in the Fees shall be permitted.

(ii) If the percentage under Subparagraph (i) is greater than twenty-five percent (25%), MASN will have the right to reduce the Fees payable under Section 4 after the Adjustment Date up to a percentage adjustment equal to that percentage by which the percentage of lost subscribers exceeds twenty-five percent (25%). (For example, if the reduction in Territory results in a loss of sixty percent (60%) of the total number of subscribers in the Territory, MASN would have the right to reduce Fees payable under Section 4 after the Adjustment Date by up to thirty-five percent (35%)).

Mr. Peter G. Angelos
July 19, 1996

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(iii) The Parties shall negotiate whether, under the particular circumstances of the Territory reduction, the full adjustment permitted by this paragraph should be made, but MASN shall have the final authority in the event of disagreement.

g. Reservation Of Rights. It is expressly understood and agreed by MASN that Owner is reserving all of its rights not specifically conferred upon MASN by this Letter Agreement, and that MASN shall not have any of Owner's rights not specifically conferred upon MASN by this Letter Agreement.

h. Ownership Of Copyrights. The Parties hereby recognize that Owner and/or the League, as specified in agreements between the Team and its League, shall own the worldwide copyright and other property right interests in the games of the Team telecast pursuant to this Letter Agreement, including all rights afforded the copyright owner by the U.S. Copyright Revision Act of 1976, Pub. L. No. 94-553, as amended, and the Canadian Copyright Act, R.S.C. 1984, c42, as amended, with respect to these telecasts, including without limitation with respect to third parties the right to receive royalties distributed pursuant to such acts and the right to sue for infringement. Owner acknowledges and agrees that, while the copyright in the games of the Team distributed hereunder belongs to Owner, the signal transmitting the feed of such games and programs is controlled by, and belongs solely to, MASN. In addition, neither the League nor Owner shall have any rights in or to the "Fox Sports" or any other similar brand name or service mark of MASN or Fox used on the service or in production of the games.

NO
WAY

i. Pattern Recognition Technology. MASN shall have no right to utilize pattern recognition technology, including but not limited to that marketed under the trade name Princeton Electronic Billboard ("PEB"), on Team's Pay Television telecasts of home games, without Owner's prior consent.

4. Fees And Guaranty. MASN shall pay to Owner the following fees during the Term:

1996-1997:	\$11,200,000
1997-1998:	\$11,860,000
1998-1999:	\$12,553,000
1999-2000:	\$13,280,650
2000-2001:	\$14,044,682
2001-2002:	\$16,044,682 + CPI Increase
2002-2003:	Prior Year + CPI Increase
2003-2004:	Prior Year + CPI Increase
2004-2005:	Prior Year + CPI Increase
2005-2006:	Prior Year + CPI Increase

During each of the years set forth above, MASN shall pay the fee to Owner in equal monthly installments during the season of the Team beginning March 1 through September 1 in seven (7) equal payments on the first business day of each such month. If MASN is granted the right to telecast one or more World Series games during the Term, MASN shall pay an additional fee for each such World Series game equal to two hundred percent (200%) of the per-game fee for that year, i.e. the total fee divided by the number of games for which MASN is granted rights multiplied by two (2).

For purposes of this Letter Agreement, "CPI Increase" shall be the percentage increase, if any, by which the Consumer Price Index for the U.S.-All Urban Consumers- U.S. City Average, All Items (or such successor index as the U.S. Department of Labor, Bureau of Labor Statistics, may develop as a successor index), increased during the twelve month period ending December 31 of the calendar year immediately preceding January 1 of the calendar year for which such increase is to be effective. Notwithstanding the foregoing, the CPI Increase under this Section shall not be less than two and one-half percent (2.5%) nor greater than nine percent (9%).

None
The fees set forth above shall constitute the total rights fees for the regular season and play-off games of the Team. Notwithstanding Section 3(e), to the extent that MLB or any other entity assesses any additional fees for the production or distribution of games of the Team, such as, for example, the assessment of "outer market" fees, Owner shall pay such additional fees.

LEAGUE

MASN shall provide a guaranty by an affiliated entity of Liberty/Fox U.S. Sports L.L.C. with a net worth in excess of Five Hundred Million Dollars (\$500,000,000), as certified by the chief financial officer of such entity's ultimate parent entity, of the obligations of MASN under

Section 4 of this Letter Agreement. This guaranty shall be reduced to the proportion of MASN's obligations under Section 4 equal to the proportionate equity ownership in MASN of Liberty/Fox U.S. Sports L.L.C. or any affiliate thereof or successor thereto if, after the fifth anniversary of its Effective Date, Owner pays the amounts specified under Section 14 hereof.

5. Signing Advance. As an inducement to Owner to enter into this Letter Agreement, MASN shall pay to Owner a signing advance of Three Million Dollars (\$3,000,000) contemporaneously with the telecast of the first game of the Team under this Letter Agreement. The amount of the signing bonus shall be deducted from the monthly payments due under the second through sixth years of this Letter Agreement (1997-98 through 2001-02 seasons) at a rate of Eighty-Five Thousand Seven Hundred Fourteen Dollars (85,714) per monthly installment.

6. Game Production And Distribution.

a. Minimum Games. MASN shall produce and distribute annually on Pay Television the games of the Team as follows: (i) at least five (5) exhibition games; (ii) at least sixty (60) regular season games with at least twenty (20) and no more than thirty (30) of those being away games; and (iii) all available play-off games.

b. Production Standards And Announcer. MASN shall produce the games with a "look" and level of quality consistent with the state of the art for other regional sports network telecasts of MLB games and with those television production standards required by MLB, including a minimum of six (6) cameras (unless and until standard industry practice for regional sports network telecasts utilizes a higher number of cameras), four (4) replay machines, state-of-the-art, high-quality and high-resolution graphic design, and overall high-quality and professional presentation. MASN shall be responsible for the production, backhaul, and transmission costs incurred in producing and distributing the games, provided that Owner gives access to the necessary facilities and utilities. MASN shall select, subject to the approval of Owner, which approval will not be unreasonably withheld, the play-by-play and analysis announcers for the games it produces, and MASN shall include in its contracts with any such announcers of games of the Team any provisions required by MLB rules.

c. Pre-Game Shows. MASN shall produce and telecast the following, provided that Owner grants to MASN the exclusive rights to such programming: (i) a thirty (30) minute pre-game show telecast immediately prior to the scheduled start of all games of the Team exhibited by MASN; and (ii) a thirty (30) minute "Team Magazine" show for each week of the Championship Season.

7. Selection Of Games. During each MLB season, MASN shall select the games to be produced and distributed as follows: (i) Owner shall forward to MASN as soon as reasonably practicable prior to the start of each season a final schedule, including dates, times, participants, and

Mr. Peter G. Angelos
July 19, 1996

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venues and national television schedule of all games to be played by the Team for that season; (ii) MASN shall forward to Owner as soon as reasonably practicable thereafter a schedule of the games for the Team to be produced and distributed for that season; (iii) MASN acknowledges that other broadcasting entities designated by Owner may be making game selections contemporaneously, agrees that Owner, MASN and those other entities shall meet and communicate in good faith to resolve competing selections, and agrees that Owner shall be entitled to exercise its reasonable discretion in scheduling and concluding that process; and (iv) to the extent that any games in MASN's proposed schedule conflict with games selected for distribution by a national network, MASN shall have the right, but not the obligation, to select substitute game(s) and, if permitted by the national network agreement, to simulcast such game(s). In selecting games for production and distribution, MASN shall first attempt to select home games during prime time on weekdays and during weekends and no fewer than twenty (20) away games during prime time on weekdays and during weekends. In selecting games, MASN shall have priority over any rights holder for standard broadcast television for all home games; the standard broadcast television rights holder shall have such priority for all away games. MASN shall also attempt to give priority to the production and distribution of any game(s) of the Team that have recognized play-off consequences. MASN shall take into consideration the Team's marketing and promotional objectives, but MASN's final schedule of games shall be determined in its discretion subject only to the minimum commitment in Section 6(a) and the provisions as to priority in this Section.

8. Advertising. MASN shall have the exclusive right to sell all commercial time and value-added commercial enhancements within each game and other programming produced by MASN. MASN has sole discretion to establish advertising rates and packages. Notwithstanding the foregoing, if requested by Owner, MASN shall consult with Owner and give priority to significant advertisers of the Team in the selection of advertising time on the games of the Team telecast on Pay Television, provided that such priority shall be subject to MASN's then-existing agreements for advertising. All advertisements on the games exhibited by MASN shall be subject to the rules, regulations, and advertising standards of MLB, the Office of the Commissioner of Baseball, and the American League. MASN shall make available to Owner two (2) minutes of advertising time during each game telecast by MASN on Pay Television for advertising sales of tickets for games of the Team, promotion of the Team, and promotion of special events of the Team, provided that there is no conflict with an exclusive sponsor of advertising. In the event of such conflict, MASN will attempt in good faith to cooperate with Owner to minimize such conflict. MASN also shall provide a minimum of six (6) live promotional audio and video drop-ins per game telecast by MASN for the marketing of the Team. MASN and Owner will cooperate in good faith to coordinate and develop multimedia advertising packages.

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9. Promotion.

a. Signage. Owner shall provide, subject to preemption for ^{National} League telecasts, signage to MASN for all games of the Baltimore Orioles, one (1) sign along each of the first and third base lines, provided that each sign shall be no greater than ten (10) square feet, and the graphic design shall be subject to the reasonable approval of Owner.

b. Tickets For League Games. Owner shall provide to MASN at no charge twenty-four (24) tickets for best available seats to each home game of the Team. In addition, MASN shall purchase, at Owner's option, tickets for twenty-four (24) comparable seats at regular face value.

c. Skybox. If a skybox becomes available at Camden Yard, MASN shall have a right of first refusal to purchase the rights to such skybox at market price.

d. Ad Avails. MASN shall provide to Owner on the programming service on which the games of the Team are carried for distribution on Pay Television four hundred (400) thirty (30) second advertising avails during time periods other than telecasts of games of the Team during each Championship Season for promotion of Team games carried on the service, advertising sales of tickets for games of the Team, promotion of the Team, and promotion of special events of the Team, provided that there is no conflict with an exclusive sponsor of advertising. In the event of such conflict, MASN will attempt in good faith to cooperate with Owner to minimize such conflict.

e. Joint Promotions. MASN and Owner shall work together to create joint promotions (such as contests, free trips to spring training and fan participation events) for both MASN and Owner.

f. Mailings. MASN, at its sole expense, shall include in mailings, if any, by MASN to MASN subscribers Owner's promotional literature prepared at Owner's expense. Any such mailings to MASN subscribers may require the approval and/or cooperation of Pay Television system operators and must be of a number and frequency subject to the reasonable approval of MASN.

10. Cancellation, Labor Disputes, And Relocation.

a. Rescheduling Games Canceled For Weather And Other Causes. If a game scheduled to be telecast is canceled for weather or any other reason, except a labor dispute, MASN shall make appropriate courtesy announcements from time to time during the period in which such game was scheduled, explaining that the game has been canceled. No substitute programming shall be furnished by Owner in the event of a canceled game, and Owner shall incur no other liability for cancellation, provided, however, that, if a game scheduled to be telecast is canceled, MASN shall

Mr. Peter G. Angelos
July 19, 1996

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-9-

have the right to select an alternate game for telecast. If no games remain available during the existing year's schedule, MASN shall be permitted to reschedule such alternate game for telecast during the subsequent year.

b. Labor Disputes. Should the cancellation of games result from a labor dispute, MASN's obligation to produce and distribute games under Section 6(a) and the fee payable under Section 4 will be reduced by a proportion equal to the number of scheduled games canceled to the total number of games scheduled to be carried. If the Team continues play with replacement players, MASN and Owner shall negotiate in good faith to reduce MASN's obligation under Section 6(a) and the fee payable under Section 4, and, if the Parties cannot reach agreement, such obligation and fee shall be proportionately reduced by the proportional decrease in the ratings for replacement games of the Team.

c. Relocation Of Team. If for any reason Owner plans to discontinue operations or move the Team out of the Baltimore-Washington Metropolitan Area during the Term or make a commitment during the Term to discontinue or move out effective during the Term, Owner shall give MASN written notice of such intent to move or to discontinue operations immediately after making such decision (even in the event that such decision might yet require an application to and approval of the Commissioner's Office of MLB or any other entity). In such instance, MASN shall have the right to: (i) assign this Letter Agreement to an affiliated entity that is or will serve the area to which the Team relocates; or (ii) terminate this Letter Agreement by delivering written notice of same to Owner (such termination to be effective as outlined in such written notice) and, except for accrued, but undischarged, obligations and except as provided in the following sentence, this Letter Agreement shall be terminated and neither Party hereto shall have any further obligation hereunder.

11. Packaging. MASN shall package the games of the Team produced for distribution by cable television and media other than free over-the-air broadcast television on a programming service which includes: (i) games of other professional sports team(s) in the Mid-Atlantic Region, including at least the Washington Wizards (presently known as the "Washington Bullets") and the Washington Capitals (provided that the Washington Wizards and the Washington Capitals remain located in the Washington Metropolitan Area); and (ii) other sports programming available from Fox Sports Net, including the nightly and weekend Fox Sports News Show, men's college football and basketball and Major League Baseball games, and related programming provided for national distribution to regional sports networks. However, all such programming carried by MASN on such regional sports network other than Washington Wizards and Washington Capitals games of play-off significance (except that the Orioles' opening day game shall take precedence) and all play-off and championship games shall be subject to preemption for scheduled games of the Team unless otherwise consented to by Owner.

12. Termination. In addition to their other rights at law or in equity, or pursuant to other provisions of this Letter Agreement, either Party may terminate this Letter Agreement upon written notice to the other if: (i) the other Party is in material breach of this Letter Agreement and such breach is not cured within sixty (60) days after receipt of written notice from the Party seeking to terminate; (ii) the other Party has filed a petition in bankruptcy, is insolvent, or has sought relief under any law for inability to meet its payment obligations; or (iii) any involuntary petition in bankruptcy has been filed against the other Party unless such involuntary petition is dismissed within sixty (60) days after it has been filed. In addition, MASN shall have the right to terminate this Letter Agreement in the event that: (i) MLB does not approve this Letter Agreement within thirty (30) days as provided for in Section 3(e) hereof; (ii) the rights, if any, of Westinghouse Broadcasting Company to which this Letter Agreement is subject pursuant to Section 19 hereof materially adversely affect the rights of MASN under this Letter Agreement; and/or (iii) the NBA and NHL, as applicable, do not approve the separate letter agreements, both dated July 19, 1996, between MASN, on the one hand, and Washington Capitals L.P., Washington Bullets L.P., D.C. Arena L.P., and Centre Group Limited Partnership, on the other, or any such agreements are otherwise not final and enforceable.

13. Force Majeure. Subject to the provisions of Section 10, either Party shall be excused from performing its obligations hereunder to the extent it is unable to perform due to fire, flood, earthquake, power blackout, war, state of national emergency, act of God, labor dispute (except as provided in Section 10(b)) signal interruption or any other cause beyond the reasonable control of such party, provided that the non-performing Party gives prompt notice to the other Party of: (i) its inability to perform; and (ii) the reasons for such non-performance.

14. Membership Interest In MASN. Upon execution of this Letter Agreement by both Parties, Owner shall have a thirty-eight percent (38%) membership interest in MASN in consideration of Owner's entering into this Letter Agreement. Owner agrees that Liberty/Fox U.S. Sports L.L.C. shall have the sole day-to-day and overall responsibility and authority for the management of MASN, including, but not limited to, the authority to engage in related party transactions and to provide services and programming to MASN at fair market value and to charge MASN a reasonable management fee (which fee shall be subject to Owner's consent not to be unreasonably withheld), provided that Owner must approve: (i) any major capital expenditures of MASN which are defined as expenditures in excess of Five Million Dollars (\$5,000,000); (ii) any financing or refinancing of MASN; and (iii) any sale of substantially all of the equity or assets of MASN. For the first five (5) years after the Effective Date, MASN's losses shall be funded by Liberty/Fox U.S. Sports L.L.C. through debt with interest at the prime rate (such financing being deemed approved by Owner) and without recourse to Owner, which debt shall be repaid prior to any distribution of capital or dividends by MASN. During the period for fifteen (15) days after the fifth anniversary of the Effective Date of this Letter Agreement, Owner shall either: (i) put its thirty-eight percent (38%) membership interest to MASN at a price equal to Ten Million Dollars (\$10,000,000); or (ii) pay to MASN an amount equal to Seven Million One Hundred Thousand Dollars (\$7,100,000).

plus thirty-eight percent (38%) of all losses of MASN less thirty-eight percent (38%) of all distributions of capital and dividends to the members in MASN plus interest at the prime rate since the date any losses exceeding distributions were incurred. If MASN is not given written notice of Owner's election under the preceding sentence within such fifteen (15) days, Owner will be deemed to have elected to put its interest to MASN pursuant to (i). In the event any member of MASN determines to sell its interest in MASN, such selling member must offer the other members a right of first refusal to purchase that interest for cash upon terms no less favorable to the purchaser than those on which such member determines to sell.

15. Confidentiality. Except: (i) where a Party to this Letter Agreement is ordered by a court or governmental or quasi-governmental agency of competent jurisdiction to the contrary; (ii) for disclosures to a financial institution or other entity providing a material credit facility to a party hereto; (iii) for disclosures by the Team to the Commissioner's Office; or (iv) when necessary to enforce or exercise the rights granted to a Party hereunder, the Parties hereto agree that this Letter Agreement is confidential and that no Party hereto shall disclose, publish, or otherwise disseminate the terms, provisions, or substance of this Letter Agreement to any person or entity other than the members, partners, officers, directors, attorneys, insurance agents, employees having a need to know, and accountants of the Parties hereto.

16. Right To Match. Prior to the last year of the Term, MASN has the right to negotiate exclusively and during the last year nonexclusively for an extension of this Letter Agreement or a new agreement. If Owner and MASN do not reach an agreement and Owner thereafter receives a bona fide written offer from a third party for the telecast rights for the games of the Team, Owner shall promptly forward such offer to MASN and MASN shall have the right to match such offer within thirty (30) days thereafter and obtain the offered rights. In order to allow for a fair comparison of offers, Owner agrees to entertain only those offers for the rights for the games of the Team which are for a fixed term of no less than three (3) years and in which all elements are reasonably reducible to a cash value, matchable in cash, and reasonably related to the grant of rights therein. This provision will survive expiration of this Letter Agreement.

17. Assignment. Except as set forth herein, neither MASN nor Owner shall assign, pledge, mortgage, or otherwise hypothecate this Letter Agreement or any right or interest hereunder (except for a collateral assignment of the proceeds of this Letter Agreement, but not of any right to become a party to this Letter Agreement) without first obtaining the written consent of the other Party, which consent shall not be unreasonably withheld. Notwithstanding the foregoing: (i) MASN may assign this Letter Agreement to any entity owned or controlled by MASN, Liberty/Fox U.S. Sports L.L.C. or Fox, Inc., and the Team may assign this Letter Agreement to any entity that owns the franchise for the Team, provided that, in each case, such assignee affirmatively assumes in writing the obligations of the assignor hereunder; and (ii) in the event that MASN assigns this Letter Agreement to Washington Capitals L.P., Washington Bullets L.P., D.C. Arena L.P., and Centre Group Limited Partnership under that certain letter agreement dated July 19, 1996, Owner's consent

Mr. Peter G. Angelos
July 19, 1996

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is not required, and neither Fox, Inc., with respect to the guaranty in Section 4, nor MASN shall have any further obligation or liability hereunder to Owner or Team. In the event of any permitted assignment, the assignor thereafter shall be released from any obligation or liability hereunder which accrues after the effective date of such assignment.

18. Merchandising Rights.

Within team

a. Use Of Team's Names, Insignia And Marks. Subject to the copyright protection and ownership provisions, MASN shall have a limited right and license during the Term of this Letter Agreement to use the Team's names, insignia and marks, subject to Owner's prior approval, for the purpose of promoting the Team telecasts on MASN's programming service and/or Pay Television affiliates. Owner, in its sole discretion, may also permit those advertisers who purchase at least Two Hundred Fifty Thousand Dollars (\$250,000) per year of advertising on MASN's Team telecasts to use the Team's names, insignia and marks, subject to the prior approval of Owner and Major League Properties. This Section and the rights granted hereunder are subject to all Major League Rules with respect to the use of Team's names, insignia and marks.

b. Access To Team Personnel. Owner shall, at MASN's request, use all reasonable efforts to provide players, Team personnel and front office officials to MASN at the preferred Team in-house rate for non-commercial promos, photo shoots and appearances, on a reasonable basis. MASN recognizes that commercial appearances may continue to carry an appearance fee, in accordance with customary practice, and MASN will pay all such appearance fees.

c. Ballpark Monitors. Owner and MASN shall cooperate to develop a system to deliver finished video feeds to television monitors in the ballpark without advertising. Where practical, Owner shall provide the audio portion to accompany such video feed.

19. HTS Agreement This Letter Agreement is subject to the rights, if any, of Westinghouse Broadcasting Company under Section 15 of the agreement dated January 1, 1994 between Westinghouse Broadcasting Company and the Baltimore Orioles Limited Partnership.

20. Guaranty. The Baltimore Orioles Limited Partnership, which owns the Baltimore Orioles Team, guarantees the obligations of Owner under this Letter Agreement for the Term.

* * *


Mr. Peter G. Angelos
July 19, 1996

-13-

Each Party represents that the person executing this Letter Agreement on its behalf is duly authorized to do so and that such execution is binding upon each Party. However, the obligations of Owner under this Letter Agreement (except as guaranteed) shall be limited to the assets of Owner and no personal liability shall extend to any partner of Owner. The Parties shall use good faith efforts to enter into a long form of agreement incorporating these terms and conditions on or before September 1, 1996. However, upon execution by the Parties, this Letter Agreement shall be binding upon the Parties and govern their conduct until such time as the Parties enter into a long form of agreement. This Letter Agreement may be executed in one or more identical counterparts, and all of such counterparts, when taken together, shall be deemed to constitute the original of this Letter Agreement.

Very truly yours,

MID-ATLANTIC SPORTS NETWORK L.L.C.

By: 
Name: James A. Martin
Title: Executive Vice President

THE BALTIMORE ORIOLES
LIMITED PARTNERSHIP
(as to guaranty in Section 20 only)
By: Baltimore Orioles, Inc.,
Managing general partner

FOX, INC. (as to guaranty in Section 4 only)

By: _____
Name: Peter G. Angelos
Title: President

By: _____
Name: _____
Title: _____

Agreed and accepted
this ____ day of ____, 1996:

TCR SPORTS BROADCASTING HOLDING L.L.P.

By: _____
Name: Peter G. Angelos
Title: Partner in L.L.P.

ORIOLES.JTH

Mr. Peter G. Angelos
July 19, 1996

-13-

Each Party represents that the person executing this Letter Agreement on its behalf is duly authorized to do so and that such execution is binding upon each Party. However, the obligations of Owner under this Letter Agreement (except as guaranteed) shall be limited to the assets of Owner and no personal liability shall extend to any partner of Owner. The Parties shall use good faith efforts to enter into a long form of agreement incorporating these terms and conditions on or before September 1, 1996. However, upon execution by the Parties, this Letter Agreement shall be binding upon the Parties and govern their conduct until such time as the Parties enter into a long form of agreement. This Letter Agreement may be executed in one or more identical counterparts, and all of such counterparts, when taken together, shall be deemed to constitute the original of this Letter Agreement.

Very truly yours,

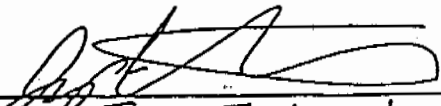
MID-ATLANTIC SPORTS NETWORK L.L.C.

By: _____
Name: James A. Martin
Title: Executive Vice President

THE BALTIMORE ORIOLES
LIMITED PARTNERSHIP
(as to guaranty in Section 20 only)
By: Baltimore Orioles, Inc.,
Managing general partner

FOX, INC. (as to guaranty in Section 4 only)

By: _____
Name: Peter G. Angelos
Title: President

By:  _____
Name: Jay Itzkowitz
Title: Senior Vice President

Agreed and accepted
this ____ day of ____, 1996:

TCR SPORTS BROADCASTING HOLDING L.L.P.

By: _____
Name: Peter G. Angelos
Title: Partner in L.L.P.

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TOTAL P.07

Mr. Peter G. Angelos
July 19, 1996

-13-

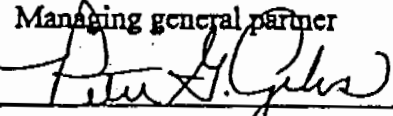
Each Party represents that the person executing this Letter Agreement on its behalf is duly authorized to do so and that such execution is binding upon each Party. However, the obligations of Owner under this Letter Agreement (except as guaranteed) shall be limited to the assets of Owner and no personal liability shall extend to any partner of Owner. The Parties shall use good faith efforts to enter into a long form of agreement incorporating these terms and conditions on or before September 1, 1996. However, upon execution by the Parties, this Letter Agreement shall be binding upon the Parties and govern their conduct until such time as the Parties enter into a long form of agreement. This Letter Agreement may be executed in one or more identical counterparts, and all of such counterparts, when taken together, shall be deemed to constitute the original of this Letter Agreement.

Very truly yours,

MID-ATLANTIC SPORTS NETWORK L.L.C.

By: _____
Name: James A. Martin
Title: Executive Vice President

THE BALTIMORE ORIOLES
LIMITED PARTNERSHIP
(as to guaranty in Section 20 only)
By: Baltimore Orioles, Inc.,
Managing general partner


By: 
Name: Peter G. Angelos
Title: President

FOX, INC. (as to guaranty in Section 4 only)

By: _____
Name: _____
Title: _____

Agreed and accepted
this ____ day of ____, 1996:

TCR SPORTS BROADCASTING HOLDING L.L.P.

By: 
Name: Peter G. Angelos
Title: Partner in L.L.P.

ORIOLES 5711

TOTAL P.01

EXHIBIT A TO LETTER AGREEMENT DATED JULY 19, 1996
BETWEEN MID-ATLANTIC SPORTS NETWORK, L.L.C. AND
TCR SPORTS BROADCASTING HOLDING L.L.P.

BALTIMORE ORIOLES
HOME TELEVISION TERRITORY

State of Maryland

Washington, DC

State of Virginia

State of Delaware

West Virginia Counties:

Grant	Morgan
Hardy	Berkeley
Mineral	Jefferson
Hampshire	

York/Harrisburg/Lancaster Pennsylvania ADI
counties:

Adams	Lebanon
Cumberland	Mifflin
Dauphin	Perry
Juniata	York
Lancaster	

Eastern North Carolina from Winston Salem/Charlotte, including Winston Salem/Charlotte

All other areas where local or regional telecasts are distributed as of the date hereof

The above Territory contains some areas that are exclusive to the Orioles and some areas that are non-exclusive to the Orioles vis-a-vis other teams.

REQUIRED LANGUAGE FOR LOCAL TV AND RADIO CONTRACTS
(Revised 08/03/95)

USE OF GAME (TELECASTS/BROADCASTS)

The (Rightsholder) may make excerpts of the (telecasts/broadcasts) hereunder available within the Home Territory, for news purposes only, under Major League Baseball rules in effect at the time. Rightsholder recognizes that these rules from time to time may be amended by (Club) or Major League Baseball. (Club) may make the (telecasts/broadcasts) hereunder (including without limitation excerpts and live feeds thereof) available for use by Major League Baseball, its agents and national rightsholders without any charge to be imposed therefor by (Rightsholder), its agents or designees.

COPYRIGHT FOR RADIO

Notwithstanding any other provision of this Agreement, (Club) alone shall, both during and following the term hereof, own all worldwide copyright and other rights in the games broadcast hereunder and in the broadcasts of such games (and excerpts thereof), including, but not limited to, all rights under the U.S. Copyright Act and Communications Act, the Canadian Copyright Act, state law, and copyright and other laws of other jurisdictions, now or hereafter in effect. Without limiting the generality of the foregoing, (Club) shall have the right to receive all royalties paid under the U.S. and Canadian copyright laws with respect to the retransmission of the broadcasts produced hereunder.

The parties acknowledge and agree that each of the broadcasts of the games hereunder shall constitute a "work made for hire" for (Club) and, therefore, that the right of termination provided by 17 U.S.C. § 203 shall not apply with respect to any broadcasts of the games hereunder. If it is determined by a court or other legal or administrative body of competent jurisdiction, in a final nonappealable order, that any such broadcast is not a "work made for hire" for (Club), (Rightsholder's) copyright, if any, in such broadcast shall be deemed assigned to (Club) by this Agreement.

Required Language for Local Broadcast Contracts
Revised August __, 1995
Page 2

During and following the term hereof, (Club) has the unrestricted and unencumbered right to use and reuse or to assign, license, sell or otherwise exploit, in any country and in whatever medium and for whatever purpose it chooses, the copyright and other rights in the games broadcast hereunder and in the broadcasts of such games. Any and all proceeds derived therefrom shall be retained by (Club) alone. During and following the term, (Rightsholder) shall have no rights with respect to the games broadcast hereunder or in the broadcasts of such games (or any excerpts thereof), except as specifically provided in this Agreement.

(Rightsholder) shall broadcast the following announcement as part of each broadcast:

This copyrighted broadcast is presented by authority of (Club) and may not be reproduced or retransmitted in any form without the express written consent of (Club).

(Rightsholder) shall use its best efforts to prevent any person from infringing (Club's) copyright and other rights in the games broadcast hereunder and in the broadcasts of such games. (Rightsholder) agrees to notify (Club) of any acts of copyright infringement or any other acts in violation of (Club's) rights in the broadcasts or games of which it becomes aware. As requested by (Club) and at (Club's) expense, (Rightsholder) shall use its best efforts to cooperate with (Club) in the civil or criminal prosecution of any such violations of (Club's) rights. (Club) shall have the sole right to determine whether or not legal action shall be taken against any such violation and may make all decisions in its discretion regarding the conduct of litigation and any settlement thereof.

COPYRIGHT FOR TELEVISION

Notwithstanding any other provision of this Agreement, (Club) alone shall, both during and following the term hereof, own all worldwide copyright and other rights in the games telecast hereunder and in the telecasts of such games (and excerpts thereof), including, but not limited to, all rights under the U.S. Copyright Act and Communications Act, the Canadian Copyright Act, state law, and copyright and other laws of other

Required Language for Local Broadcast Contracts
Revised August __, 1995
Page 3

jurisdictions, now or hereafter in effect. Without limiting the generality of the foregoing, (Club) shall have the right to receive all royalties paid under the U.S. and Canadian copyright laws with respect to the retransmission of the telecasts produced hereunder.

The parties acknowledge and agree that each of the telecasts of the games hereunder shall constitute a "work made for hire" for (Club) and, therefore, that the right of termination provided by 17 U.S.C. § 203 shall not apply with respect to any telecasts of the games hereunder. If it is determined by a court or other legal or administrative body of competent jurisdiction, in a final nonappealable order, that any such telecast is not a "work made for hire" for (Club), (Rightsholder's) copyright, if any, in such telecast shall be deemed assigned to (Club) by this Agreement.

During and following the term hereof, (Club) has the unrestricted and unencumbered right to use and reuse or to assign, license, sell or otherwise exploit, in any country and in whatever medium and for whatever purpose it chooses, the copyright and other rights in the games telecast hereunder and in the telecasts of such games. Any and all proceeds derived therefrom shall be retained by (Club) alone. During and following the term, (Rightsholder) shall have no rights with respect to the games telecast hereunder or in the telecasts of such games (or any excerpts thereof), except as specifically provided in this Agreement.

(Rightsholder) shall affix a copyright notice in the name of (Club) (Copyright 19__ (Club)) to each telecast produced hereunder, in accordance with the requirements established by applicable laws and regulations. At the same time, (Rightsholder) shall broadcast the following announcement as part of each telecast:

This copyrighted telecast is presented by authority of (Club) and may not be reproduced or retransmitted in any form without the express written consent of (Club).

(Rightsholder) shall use its best efforts to prevent any person from infringing (Club's) copyright and other rights in the games telecast hereunder and in the telecasts of such games. (Rightsholder) agrees to

notify (Club) of any acts of copyright infringement or any other acts in violation of (Club's) rights in the telecasts or games of which it becomes aware. As requested by (Club) and at (Club's) expense, (Rightsholder) shall use its best efforts to cooperate with (Club) in the civil or criminal prosecution of any such violations of (Club's) rights. (Club) shall have the sole right to determine whether or not legal action shall be taken against any such violation and may make all decisions in its discretion regarding the conduct of litigation and any settlement thereof.

SUBSERVIENT TO NATIONAL RIGHTS AGREEMENTS

Notwithstanding any other provision of this Agreement, (Club), in conjunction with the other Clubs of the National and American Leagues and/or the Commissioner's Office, may license to one or more entities the national or international rights to telecast, to broadcast or otherwise to transmit the accounts and descriptions of any Major League Baseball games ("National Rights Agreements"). Such National Rights Agreements may be exclusive and/or non-exclusive and may include a larger number of games, and games at other times of the day and on other days of the week, than are telecast, broadcast or transmitted under current agreements.

Notwithstanding any other provision of this Agreement, the rights granted by the (Club) to the (Rightsholder) under this Agreement shall in all respects be subordinate to all such present and future National Rights Agreements, the applicable rules, regulations, agreements, policies, bulletins or directives of Major League Baseball, (Club), the (League) and its member Clubs, which may from time to time be amended.

In the event that any game or games that would otherwise be scheduled for (telecast/broadcast) under this Agreement may not be (telecast/broadcast) consistent with any such National Rights Agreements, then (Club) and (Rightsholder) shall cooperate to reschedule such local (Club) (telecasts/broadcasts) at mutually acceptable dates and times.

[IF RIGHTSHOLDER INSISTS ON FINANCIAL PROTECTION AGAINST PREEMPTION OF LOCAL (TELECASTS/BROADCASTS) BY NATIONAL RIGHTS AGREEMENTS, INSERT THE FOLLOWING LANGUAGE:

If, after good faith negotiations, rescheduling cannot be accomplished to the reasonable satisfaction of both the (Club) and (Rights holder), the (Club) agrees that the rights payments provided for herein shall be reduced for the year in question by a fraction, the numerator of which is the number of games that are thus made unavailable, and the denominator of which is the total number of (telecasts/broadcasts) called for in that year by this Agreement.]

ADVERTISING STANDARDS

(Rights holder) will not permit products or services to be advertised during the designated games or the commercial adjacencies thereto, if such advertisements are impermissible according to the applicable rules and policies of the (League) or (Club).

HOME TERRITORY

The Home Territory within which (Rights holder) is granted rights hereunder is defined in Exhibit A attached hereto and made a part hereof. Nothing herein shall be construed as conferring on (Rights holder) rights in areas other than those outlined in Exhibit A, which from time to time may be changed by the (Club).

(Rights holder) shall cause all agreements between (Rights holder) and any affiliate of the (Rights holder) to contain a provision stating that the affiliate's rights derive solely from the rights granted to (Rights holder) under this Agreement and requiring the affiliate to be bound by and comply with the terms and conditions of this Agreement that are applicable to or affect such affiliates.

GAME (TELECAST/BROADCAST) RECORDINGS

(Rights holder) shall record all (telecasts/broadcasts) produced hereunder in their entirety (including without limitation announcer commentary) by means of tape, wire or any other method of recording (video and) audio material, whether now known or hereafter developed. (Rights holder) shall preserve each such recording for the remainder of the season or 120 days, whichever is longer. If requested by (Club), (Rights holder) shall furnish a copy of any such recording to (Club) at no charge.

USE OF TRADEMARKS

The (Club) hereby grants (Rightsholder) the right to use its trademarks and those of each team playing in the Covered Games (the "Opponents"), subject to all applicable laws, the established standards of quality of Major League Baseball, and prior written approval of Club in each instance, for the sole purpose of producing, marketing and promoting the broadcasts produced hereunder. In no event may (Rightsholder) license any such trademarks to others or include any juxtapose in such broadcast promos (television, print ads, or other) trademarks or service marks other than those of (Rightsholder), (Club), and the Opponents. Rightsholder acknowledges that it will obtain no rights or interests in the trademarks by any use of them.

All of (Rightsholder's) use of the trademarks shall inure to the benefit of (Club) or the Opponents, as the case may be. (Rightsholder) shall not, either during or after the term hereof, infringe upon, harm or contest the rights of (Club) or the Opponents in their respective trademarks. All use of (Club's) or the Opponents' trademarks shall be accompanied by the appropriate trademark notice (R) or (TM). Absolutely no rights for contests or sweepstakes involving Major League Baseball games or other Major League Baseball-related consumer promotions, with or without the use of any of the (Club's) trademarks, are conveyed by this Agreement to (Rightsholder) and (Rightsholder) agrees not to engage in any such commercial activities.

(Rightsholder) may also, for purposes of promoting the (telecasts/broadcasts) produced hereunder, or for "institutional" advertisements promoting baseball (telecasts/broadcasts) of (Rightsholder), make use of the name, likeness or biographical material of any player of each team playing in the Covered Games; provided, however, that no use of such names or likenesses shall be made in conjunction with promotion of products or services of (Rightsholder's) advertisers or in any matter other than as set forth above.

EXTRA-TERRITORIAL RETRANSMISSION (FOR TELEVISION)

If at any time during the Term of this Agreement the television signal of (Rights holder) or any affiliate of the (Rights holder) is retransmitted by any means to more than 200,000 households located outside the Home Territory, with or without (Rights holder's) consent, then the (Club) shall have the option to terminate this Agreement and, if it chooses to exercise that option, shall set the date of termination at its discretion.

RETRANSMISSION CONSENT [INSERT 1 OF 2 ALTERNATIVE PROVISIONS]

[IF CLUB RESERVES DISCRETION WITH RESPECT TO THE GRANTING OF RETRANSMISSION CONSENT WITHIN THE HOME TERRITORY, INSERT THE FOLLOWING LANGUAGE:

(Rights holder) shall not authorize any entity (including, without limitation, any cable system, multi-channel video programming distributor, on-line service or computer network) to retransmit the signal of (Rights holder), including the (telecasts/broadcasts) of the games hereunder, without the express written consent of (Club). It is understood and agreed that the granting of such consent by (Club) shall be contingent upon the parties hereto reaching an agreement as to the compensation to be paid to (Club) in consideration of its consent. Under no circumstances shall such retransmission consent be granted for any geographic area located outside the Home Territory.]

[IF CLUB AGREES THAT RIGHTSHOLDER SHALL HAVE SOLE DISCRETION WITH RESPECT TO THE GRANTING OF RETRANSMISSION CONSENT WITHIN THE HOME TERRITORY, INSERT THE FOLLOWING LANGUAGE:

(Rights holder) shall not authorize the retransmission of its signal, including the (telecasts/broadcasts) of the games hereunder, by any entity (including, without limitation, any cable system, multi-channel video programming distributor, on-line service or computer network) that serves any geographic area located outside the Home Territory.]

Revised Trademark Provision

TRADEMARKS AND SERVICE MARKS

Subject Matter Covered by Provision - For the purposes of this Agreement, "mark" refers to trademarks, service marks, trade names, trade dress and related rights.

Grant of License - The (Club) hereby grants (Rightsholder) a nonexclusive license to use certain marks owned by (Club). (Club) shall identify the specific marks subject to this license, in writing, before the term of this agreement or at any time during the term of this Agreement.

Other Marks - (Club) acknowledges the right of (Rightsholder) to use certain marks owned by other Clubs, Major League Baseball, and the American and National Leagues, in an informational manner, to identify the opponent and for similar purposes, subject to the rights of the relevant owners of those marks.

Scope of License - The license is limited to use of the specified marks in conjunction with producing, marketing and promoting the (telecasts/radio broadcasts) produced under this Agreement. (Rightsholder) may use its own marks in combination with the Club marks subject to this Agreement, in accordance with the relevant provisions of this Agreement.

(Rightsholder) shall not use any (Club) mark subject to this Agreement or any other mark owned by the (Club), other Clubs, Major League Baseball, or the American or National Leagues as part of a composite mark or otherwise in combination with, linked with or juxtaposed with any other mark not owned by (Club) or (Rightsholder) in television, broadcast or print advertising, or otherwise.

Quality Control -- (Club) has confirmed that the quality of the (telecast/radio broadcast) to be provided by the (Rightsholder) is in conformity with the standards established by Major League

Baseball and (Club), on the basis of performance under previous agreements, or by other appropriate means. (Rightsholder) agrees to maintain the quality of the (telecasts/radio broadcasts).

(Club) shall review the (telecasts/radio broadcasts) from time to time, by appropriate means, to ensure that the quality continues to conform to the standards established by Major League Baseball and (Club). (Club) reserves the right to terminate the Agreement in the event (Rightsholder's) (telecasts/radio broadcasts) cease to conform to the standards established by Major League Baseball and (Club).

(Rightsholder) shall inform (Club) of any significant change in the (telecast/radio broadcast) relating to format, personnel or other aspects of the (telecast/radio broadcast), and obtain (Club) approval before implementing such changes, in order to ensure compliance with relevant quality standards established by (Club) and Major League Baseball.

(Rightsholder) agrees to inform (Club) of any complaints with respect to (telecasts/radio broadcasts) provided under this Agreement.

Ownership of Marks - (Club) shall retain full, ownership, right, title and interest with respect to all marks subject to this Agreement, notwithstanding the license granted under this Agreement. All of (Rightsholder's) use of the marks shall inure to the benefit of (Club) or other Clubs, Major League Baseball, or the American or National Leagues, as the case may be. (Rightsholder) agrees not to engage in any conduct inconsistent with the rights of (Club) with respect to the marks subject to this Agreement or any other marks owned by (Club), other Clubs, Major League Baseball or the American or National Leagues.

Accordingly, (Rightsholder) agrees not to file any application to register as a trademark, service mark, trade name, or otherwise, any mark subject to this Agreement or any other mark owned by (Club), other Clubs, Major League Baseball, or the American or National Leagues. (Rightsholder) agrees further not to authorize or to attempt to

authorize any third party to use any (Club) mark subject to this agreement or any other mark owned by (Club), other Clubs, Major League Baseball or the American and National Leagues, by license, sublicense or otherwise, either orally or in writing. (Rightsholder's) responsibilities under this paragraph shall continue after termination of the Agreement

Additional Prohibited Conduct - (Rightsholder) agrees further not to take any action contrary to the interests of (Club) as owner of the marks, or other Clubs, Major League Baseball, or the American and National Leagues, as owners of their respective marks. The prohibited actions shall include any conduct which would disparage, tarnish, or otherwise harm the reputation of (Club), other Clubs, Major League Baseball, or the American or National Leagues, or diminish or dilute the value of the marks subject to this Agreement, or other marks owned by (Club), other Clubs, Major League Baseball, or the American or National Leagues. Furthermore, absolutely no rights for contests or sweepstakes involving Major League Baseball games or other Major League Baseball-related consumer promotions, with or without the use of any of the (Club's) marks, are conveyed by this Agreement to (Rightsholder), and (Rightsholder) agrees not to engage in any such commercial activities. (Rightsholder's) responsibilities under this paragraph shall continue after termination of the Agreement

Guidelines Concerning Use of Marks -

(Rightsholder) shall use marks subject to this Agreement only in accordance with all guidelines provided by (Club) either in this Agreement or as specified further by (Club) during the term of this Agreement. All use of marks owned by (Club), other Clubs, Major League Baseball or the American or National Leagues shall be accompanied by the appropriate trademark notice ® or TM or SM.

Unauthorized Use by Rightsholder - Any use of (Club) marks subject to this Agreement or any other marks owned by (Club), Major League Baseball or the American or National Leagues by (Rightsholder) without the prior written approval of Club, or otherwise in a manner inconsistent with this Agreement or the guidelines of (Club).

shall constitute an infringement of the mark and a breach of this Agreement entitling (Club), or other owner of the mark, to the full range of remedies, including damages, injunctive and other relief, available for such violations, in addition to contractual remedies.

(Rightsholder's) responsibilities under this paragraph shall continue after termination of the Agreement

Reporting Unauthorized Uses by Others -

(Rightsholder) shall inform (Club), in writing, promptly of any potentially unauthorized or infringing use of any mark owned by (Club), other Clubs, Major League Baseball, or the American or National Leagues by third parties, regardless of the source of the knowledge regarding the use.

Termination/Expiration - Upon termination of this Agreement, (Rightsholder's) license to use marks owned by (Club) shall cease immediately.

Use of the Name, Likeness or Other Material Related to Players

(Rightsholder) may also, for purposes of promoting the broadcasts/telecasts produced hereunder, or for "institutional" advertisements promoting baseball broadcasts/telecasts of (Rightsholder), make use of the name, likeness or biographical material of any player of each team playing in the Covered Games, provided, however, that no use of such names or likenesses shall be made in conjunction with promotion of products or services of (Rightsholder's) advertisers or in any manner other than as set forth above.

Office of the Commissioner
MAJOR LEAGUE BASEBALL



August 21, 1996

Mr. Mike Lehr
Executive Director, Marketing & Broadcasting
Baltimore Orioles
Oriole Park at Camden Yards
333 West Camden Street
Baltimore, MD 21201-2435

Dear Mike:

As we discussed, the attached modifications to the telecast rights agreement between MASN and TCR Sports Broadcasting meet with our approval.

Please forward a revised draft or executed document which incorporates these changes at your earliest convenience.

Congratulations - it looks like a fabulous deal for the team. Best of luck launching...

Sincerely,

A handwritten signature in dark ink, appearing to read "Leslie S.", written over a horizontal line.

Leslie Sullivan
Director of Broadcasting



**MODIFICATIONS TO THE TELECAST AGREEMENT
BETWEEN MASN AND TCR SPORTS BROADCASTING
AS REQUIRED BY MAJOR LEAGUE BASEBALL**

[text added is bold and underlined]

1. Page 1, Section 1.b.

b. "Pay Television" means any method, whether presently existing or hereafter developed, for the transmission or exhibition (whether microwave, satellite, over-the-air, fiberoptic, or otherwise) of television signals other than by means of Standard Broadcast Television, and shall include without limitation cable television (basic, premium, etc.), over-the-air pay television, multipoint and multichannel multipoint distribution system television, direct broadcast satellite television, subscription television, master antenna and satellite master antenna television, local multipoint distribution service, ~~open video system~~, home satellite dish or television receive-only satellite, and pay-per-view television, provided that, for purposes of this Letter Agreement, Pay Television shall not include Closed Circuit Television or the distribution of television over an on-line service or computer network.

2. Page 2, Section 3.a.

a. Game Exhibition Rights. Owner hereby grants to MASN the sole and exclusive right and license to produce and exhibit on Pay Television, the exhibition season, and the regular season ~~and available play-off games~~ of the Baltimore Orioles (the "Team"), as it may be renamed during the Term, within the Territory. For each year during the Term, Owner grants such rights for the following numbers of games of the Team: (i) eight (8) exhibition season games; and (ii) eighty-five (85) regular season games; ~~and (iii) all available play-off and championship games.~~ MASN shall have exclusive pay-per-view rights for the games of the Team to which it has been granted the rights under this Section 3(a), provided that its exercise of those rights shall be subject to Owner's prior written consent, and MASN shall have a right of first refusal for the pay-per-view rights to the other games of the Team. Notwithstanding anything to the contrary in this Letter Agreement, MASN may exhibit by Pay Television on MASN taped replays of any Pay Television game, in addition to the original, live telecast of such Pay Television game, provided, however, that any taped replay must begin no more than forty-eight (48) hours after such Pay Television game was actually concluded, but not after the start of the next regularly scheduled game.

3. Page 2, Section 3.b.

b. Exclusivity And Use. MASN shall have the exclusive right to telecast games of the Team in the Territory through Pay Television. Further, MASN will have the exclusive Pay Television rights ~~as to all distribution media without limitation~~ to telecast games within the Territory of the Team for which Owner has granted rights under Section 3(a). Owner

~~shall not grant to any other entity the right to telecast or otherwise distribute in the Territory any games of the Team other than games not licensed to MASN hereunder which may be distributed only on free over the air broadcast television. MASN shall have the right to distribute excerpts and highlights of the games licensed to MASN to third parties for telecast within or outside the Territory. Owner shall retain the right to distribute excerpts of such games for promotional purposes, additional media news coverage, team anthologies and similar purposes.~~

If at any time during the Term of this Agreement the television signal of MASN or any affiliate of MASN is retransmitted by any means to more than 200,000 households located outside the Territory, with or without MASN's consent, then the Owner shall have the option to terminate this Agreement and, if it chooses to exercise that option, shall set the date of termination at its discretion.

MASN shall not authorize any entity (including, without limitation, any cable system, multi-channel video programming distributor, on-line service or computer network) to retransmit the signal of MASN, including the telecasts of the games hereunder, without the express written consent of the Owner. It is understood and agreed that the granting of such consent by Owner shall be contingent upon the parties hereto reaching an agreement as to the compensation to be paid to the Owner in consideration of its consent. Under no circumstances shall such retransmission consent be granted for any geographic area located outside the Territory.

4. Page 3, Section 3.d.

d. Ancillary Programming. Owner also grants to MASN the right to develop ancillary programming for distribution via pay television, on the MASN service, in the Territory, related to the Team such as pre- and post-game shows, coaches shows, sports news, sports talk, specials, player profiles, and children's programming. MASN shall consult with Owner in good faith regarding the development of such programming.

5. Page 3, Section 3.e.

e. Limitations of Grant of Rights. The Parties acknowledge that this Letter Agreement and any grant of rights hereunder are subject to the approval of the Commissioner's Office of MLB. Owner shall use its best efforts to obtain such approval within thirty (30) days after execution of the Letter Agreement by the Parties. ~~All provisions of this Letter of Agreement are subject to the MLB Constitution, By-Laws, Rules, Regulations and Board Resolutions and the terms of any existing or future contracts entered~~

~~into by the MLB for the telecasting of MLB games (collectively "MLB Rules and Agreements"). In the event that any game which would otherwise be scheduled for telecast under this Letter Agreement is unavailable for exclusive telecast because of such MLB Rules or Agreements, the Parties shall treat such game as a canceled game under Section 10(a):~~

Notwithstanding any other provision of this Agreement, Owner, in conjunction with the other Clubs of the National and American Leagues and/or the Commissioner's Office, may license to one or more entities the national or international rights to telecast, to broadcast or otherwise to transmit the accounts and descriptions of any Major League Baseball games "National Rights Agreement". Such National Rights Agreements may be exclusive and/or non-exclusive and may include a larger number of games, and games at other times of the day and on other days of the week, than are telecast, broadcast or transmitted under current agreements.

Notwithstanding any other provision of this Agreement, the rights granted by the Owner to MASN under this Agreement shall in all respects be subordinate to all such present and future National Rights Agreements, the applicable rules, regulations, agreements, policies, bulletins or directives of Major League Baseball, Owner, the American League and its member Clubs, which may from time to time be amended.

In the event that any game or games that would otherwise be scheduled for telecast under this Agreement may not be telecast consistent with any such National Rights Agreements, then Owner and MASN shall cooperate to reschedule such local Team telecasts at mutually acceptable dates and times.

To the extent that any change in or additional MLB Rule or Agreement materially adversely affects the rights granted to MASN hereunder, MASN shall be entitled, subject to Section 3(f) hereof, to an equitable adjustment to the fee and/or other relevant terms and conditions and, at the request of MASN, the Parties shall negotiate in good faith an appropriate amendment to their agreement, provided that, if the Parties cannot reach agreement, they will submit the issue to arbitration.

6. Page 4, Section 3.h.

h. Ownership of Copyrights. ~~The Parties hereby recognize that Owner and/or the League, as specified in agreements between the Team and its League, shall own the worldwide copyright and other property interests in the games of the Team telecast pursuant to this Letter Agreement, including all rights afforded the copyright owner by the U.S. Copyright Revision Act of 1976, Pub. L. No. 94-553, as amended, and the Canadian Copyright Act, R.S.C. 1984, c42, as amended, with respect to these telecasts, including~~

~~without limitation with respect to third parties the right to receive royalties distributed pursuant to such acts and the right to sue for infringement. Owner acknowledges and agrees that, while the copyright in the games of the Team distributed hereunder belongs to Owner, the signal transmitting the feed of such games and programs is controlled by, and belongs solely to, MASN. In addition, neither the League or Owner shall have any rights in or to the "Fox Sports" or any other brand name or service mark of MASN or Fox used on the service or in production of the games.~~

Notwithstanding any other provision of this Agreement, Owner alone shall, both during and following the term hereof, own all worldwide copyright and other rights in the games telecast hereunder and in the telecasts of such games (and excerpts thereof), including, but not limited to, all rights under the U.S. Copyright Act and Communications Act, the Canadian Copyright Act, state law, and copyright and other laws of other jurisdictions, now or hereafter in effect. Without limiting the generality of the foregoing, Owner shall have the right to receive all royalties paid under the U.S. and Canadian copyright laws with respect to the retransmission of the telecasts produced hereunder.

The parties acknowledge and agree that each of the telecasts of the games hereunder shall constitute a "work made for hire" for Owner and, therefore, that the right of termination provided by 17 U.S.C. § 203 shall not apply with respect to any telecasts of the games hereunder. If it is determined by a court or other legal or administrative body of competent jurisdiction, in a final nonappealable order, that any such telecast is not a "work made for hire" for Owner, MASN's copyright, if any, in such telecast shall be deemed assigned to Owner by this Agreement.

During and following the term hereof, Owner has the unrestricted and unencumbered right to use and reuse or to assign, license, sell or otherwise exploit, in any country and in whatever medium and for whatever purpose it chooses, the copyright and other rights in the games telecast hereunder and in the telecasts of such games. Any and all proceeds derived therefrom shall be retained by Owner alone. During and following the term, MASN shall have no rights with respect to the games telecast hereunder or in the telecasts of such games (or any excerpts thereof), except as specifically provided in this Agreement.

MASN shall affix a copyright notice in the name of Owner (Copyright 19__ Baltimore Orioles) to each telecast produced hereunder, in accordance with the requirements established by applicable laws and regulations. At the same time, MASN shall broadcast the following announcement as part of each telecast:

This copyrighted telecast is presented by the authority of the Baltimore Orioles and may not be reproduced or retransmitted in any form without the express written consent of the Baltimore Orioles.

MASN shall use its best efforts to prevent any person from infringing Owner's copyright and other rights in the games telecast hereunder and in the telecasts of such games. MASN agrees to notify Owner of any acts of copyright infringement or any other acts in violation of Owner's rights in the telecasts or games of which it becomes aware. As requested by Owner and at Owner's expense, MASN shall use its best efforts to cooperate with Owner in the civil or criminal prosecution of any such violations of Owner's rights. Owner shall have the sole right to determine whether or not legal action shall be taken against any such violation and may make all decisions in its discretion regarding the conduct of litigation and any settlement thereof.

7. Page 5, Section 4, third paragraph.

The fees set forth above shall constitute the total rights fees for the regular season and play-off games of the Team. Notwithstanding Section 3(e), to the extent that MLB or any other entity assesses any additional fees for the production or distribution of games of the Team, such as, for example, the assessment of "outer-market" League fees, Owner shall pay such additional fees.

8. Page 6, Section 6.b.

b. Production Standards and Announcer. MASN shall produce the games with a "look" and level of quality consistent with the state of the art for other regional sports network telecasts of MLB games and with those television production standards required by MLB, including a minimum of six (6) cameras (unless and until standard industry practice for regional sports network telecasts utilizes a higher number of cameras), four (4) replay machines, state-of-the-art, high-quality and high-resolution graphic design, and overall high-quality and professional presentation. MASN shall be responsible for the production, backhaul, outbound scrambling, and transmission costs incurred in producing and distributing the games, provided that Owner gives access to the necessary facilities and utilities. MASN shall select, subject to the approval of Owner, which approval will not be unreasonably withheld, the play-by-play and analysis announcers for the games it produces, and MASN shall include in its contracts with any such announcers of games of the Team any provisions required by MLB rules.

Modfications
August 21, 1996
Page 6

9. Page 8, Section 9.a.

a. Signage. Owner shall provide, subject to preemption for ~~League~~ national telecasts, signage to MASN for all games of the Baltimore Orioles, one (1) sign along each of the first and third base lines, provided that each sign shall be no greater than (10) square feet, and the graphic design shall be subject to the reasonable approval of Owner.

10. Page 9, Section 11.

11. Packaging. MASN shall package the games of the Team produced for distribution ~~by cable television and media other than free over-the-air broadcast television~~ by Pay Television on a programming service which includes: (i) games of other professional sports team(s) in the Mid-Atlantic Region, including at least the Washington Wizards (presently known as the "Washington Bullets") and the Washington Capitals (provided that the Washington Wizards and the Washington Capitals remain located in the Washington Metropolitan Area); and (ii) other sports programming available from Fox Sports Net, including the nightly and weekend Fox Sports News Show, men's college football and basketball and Major League Baseball games, and related programming carried by MASN on such regional sports network other than Washington Wizards and Washington Capitals games of play-off significance (except that the Orioles' opening day game shall take precedence) and all play-off and championship games shall be subject to preemption for scheduled games of the Team unless otherwise consent to by Owner.

REQUIRED LANGUAGE FOR LOCAL TV AND RADIO CONTRACTS
(Revised 08/03/95)

USE OF GAME (TELECASTS/BROADCASTS)

The (Rightsholder) may make excerpts of the (telecasts/broadcasts) hereunder available within the Home Territory, for news purposes only, under Major League Baseball rules in effect at the time. Rightsholder recognizes that these rules from time to time may be amended by (Club) or Major League Baseball. (Club) may make the (telecasts/broadcasts) hereunder (including without limitation excerpts and live feeds thereof) available for use by Major League Baseball, its agents and national rightsholders without any charge to be imposed therefor by (Rightsholder), its agents or designees.

COPYRIGHT FOR RADIO

Notwithstanding any other provision of this Agreement, (Club) alone shall, both during and following the term hereof, own all worldwide copyright and other rights in the games broadcast hereunder and in the broadcasts of such games (and excerpts thereof), including, but not limited to, all rights under the U.S. Copyright Act and Communications Act, the Canadian Copyright Act, state law, and copyright and other laws of other jurisdictions, now or hereafter in effect. Without limiting the generality of the foregoing, (Club) shall have the right to receive all royalties paid under the U.S. and Canadian copyright laws with respect to the retransmission of the broadcasts produced hereunder.

The parties acknowledge and agree that each of the broadcasts of the games hereunder shall constitute a "work made for hire" for (Club) and, therefore, that the right of termination provided by 17 U.S.C. § 203 shall not apply with respect to any broadcasts of the games hereunder. If it is determined by a court or other legal or administrative body of competent jurisdiction, in a final nonappealable order, that any such broadcast is not a "work made for hire" for (Club), (Rightsholder's) copyright, if any, in such broadcast shall be deemed assigned to (Club) by this Agreement.

E

GROUP W SATELLITE COMMUNICATIONS

Westinghouse Broadcasting Company, Inc.
250 Harbor Drive, Stamford, CT 06904-2210 (203) 965-6000

Donald H. Mitzner
President

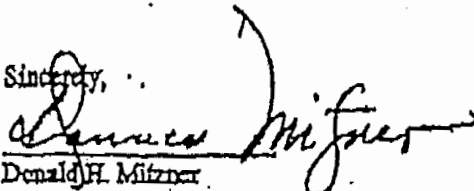
October 9, 1996

Mr. Peter G. Angeles
Baltimore Orioles Limited Partnership
TCR Sports Broadcast Holding L.L.P.
300 East Lombard Street
Baltimore, MD 21202

Dear Mr. Angeles:

The Orioles and HTS previously signed and delivered the Agreement Acknowledging Acceptance. The purpose of this letter is to memorialize further agreements the parties have reached in recognition of potential additional baseball broadcasts on HTS. HTS agrees to delete Paragraph 3(d) of the MASN Agreement in its entirety. Notwithstanding anything contained in Paragraph 3(c) to the contrary, the Orioles agree that HTS may carry the games of other local Major League Baseball teams subject to the Orioles' first priority on HTS. The Orioles agree to use their best efforts to maintain the current Orioles territory. As evidenced by the signatures below, the parties now agree to these arrangements.

Sincerely,


Donald H. Mitzner

Agreed by all parties:

Baltimore Orioles Limited Partnership

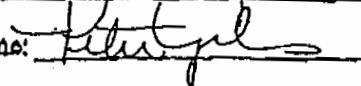
By: Baltimore Orioles, Inc., General Partner

Name: 

Title: President

TCR Sports Broadcast Holding L.L.P.

By: 

Name: 

Title: Limited Liability Partner

Home Team Sports Limited Partnership

By: Westinghouse Electric Corporation,
its general partner

Name: Donald H. Mitzner

Title: President, Group W Satellite Communications

Westinghouse Electric Corporation

By: 

Name: Donald H. Mitzner

Title: President, Group W Satellite Communications

F

GROUP W SATELLITE COMMUNICATIONS

Westinghouse Broadcasting Company, Inc.
250 Harbor Drive, Stamford, CT 06904-2210 (203) 965-6000

Donald H. Mitzner
President

December 4, 1996

Baltimore Orioles Limited Partnership
c/o Baltimore Orioles, Inc.
c/o Peter G. Angelos, President
333 West Camden Street
Baltimore, MD 21201

Dear Mr. Angelos:

The Orioles and HTS previously signed and delivered the Agreement Acknowledging Acceptance. The purpose of this letter is to memorialize further agreements the parties have reached in recognition of potential additional baseball broadcasts on HTS. The Orioles and HTS agree to delete the language of Paragraph 9.c of the MASN Agreement and substitute the following language in that Paragraph:

During each year of this Agreement, the Orioles shall provide HTS with the opportunity to purchase one (1) private skybox suite at current market rates. It is understood that this suite shall be the same as that currently occupied by HTS, i.e., suite eighteen (18).

As evidenced by the signature below, the parties now agree to these arrangements.

Sincerely,


Donald H. Mitzner
President, Group W Satellite Communications

Agreed by all parties:

Baltimore Orioles Limited Partnership
By: Baltimore Orioles, Inc., Managing
General Partner

By: 

Name: Peter G. Angelos
Title: President

TCR Sports Broadcast Holding L.L.P.

By: 

Name: Peter G. Angelos
Title: Partner in L.L.P.

Home Team Sports Limited Partnership

By: Westinghouse Electric Corporation,
its general partner

By: 

Name: Donald H. Mitzner
Title: President, Group W Satellite Communications

Westinghouse Electric Corporation

By: 

Name: Donald H. Mitzner
Title: President, Group W Satellite Communications

EXHIBIT 12



AMERICAN LEAGUE CHAMPIONS '66, '69, '70, '71, '79, '83
WORLD CHAMPIONS '66, '70, '83

PRESS RELEASE

FOR IMMEDIATE RELEASE

February 19, 2002

ORIOLES ESTABLISH BROADCAST TELEVISION NETWORK

New company to produce 74 Orioles games for regional television in 2002

Baltimore, MD—The Baltimore Orioles today announced the creation of the Orioles Television Network, a media company that will produce, sell and market Orioles game broadcasts to area television stations beginning this season. WJZ-TV and WNUV54-TV in Baltimore and WB50-TV in Washington, D.C. will be the network's flagship stations. In total, the network will be comprised of 10-12 broadcasting stations covering a 6 state region. Orioles Television will produce 74 game broadcasts this season, beginning with three spring training games in late March. Regular season coverage will begin on Opening Day, April 1 at 3:05 versus the New York Yankees.

In addition to games, the network will produce eighteen episodes of a weekly half-hour program that focuses on the intimacies of the Orioles organization, on and off the field. The show will deal with a range of subjects involved in the daily operations of the club, from players to front office employees and mascots to vendors. The series will begin in May and air prior to weekend Orioles broadcasts.

Orioles Television Network General Manager John Claiborne will supervise implementation of the broadcast project. Prior to joining the Orioles, Claiborne was president and chief operating officer for the New England Sports Network (NESN). NESN was valued at \$350 million in the recent Boston Red Sox sale.

"The Orioles are proud to be a part of the groundswell of regional sports networks owned by a Major League team," said Claiborne. "The importance of this service to a franchise was proven in the appraisal of NESN's value in the sale of the Red Sox. Given the Orioles' broad regional fan base, it was obvious that we should take advantage of the opportunity to develop a new network. The Orioles will use the same on-air talent as our cable partner, Comcast SportsNet, but the games themselves will be produced separately, allowing us to give a distinct look to our broadcast."

Director of Operations and Programming Bob Whitelaw was also hired from NESN and has 35 years of experience in the broadcasting industry. He will develop an on-air look and oversee all aspects of production for the network.

Producer Chris Glass previously worked as an Executive Producer for the Sunshine Network in Florida. Glass also worked on Orioles broadcasts at Home Team Sports from 1985 - 1998.

The Broadcasting sales team includes: Peter Paisley, General Sales Manager, Washington D.C.; Jim Hawes, General Sales Manager, Baltimore; Ivan Davis, National Sales Manager, Corporate Sponsorships; and Steve Dickler, National Sales Manager, Broadcast Sponsorships.

The Orioles Television Network will operate out of a state-of-the-art production facility on the fifth floor of the Warehouse at Camden Yards.

—orioles—

CONTACT: Bill Stetka
Director, Public Relations
410-547-6156

or

Monica Pence
Manager, Communications
410-547-6160

EXHIBIT 13

2 of 2 DOCUMENTS

Copyright 2002 The Daily Record Co.
The Daily Record (Baltimore, MD.)

February 20, 2002, Wednesday

SECTION: Pg. 1Abox.inf

LENGTH: 880 words

BYLINE: By Nancy Kercheval; Daily Record Business Writer

BODY:

The Baltimore Orioles have set the stage for a 24/7 regional sports network that is patterned on the New England Sports Network that quadrupled the television rights fees of the Boston Red Sox to \$330 million. In addition, the Orioles hired the former president and chief operating officer of NESN, John Claiborne, to step up to the plate as general manager of the Orioles Television Network. "Long term and short term, there's a significant difference in the money and the valuation of the team," Claiborne said. "NESN was considered 50 percent of the valuation of the Boston Red Sox. The team sold for \$660 million and approximately half was its 80 percent ownership of the regional network. "NESN quadrupled the Red Sox right fees — slam dunk," Claiborne said, with the team maximizing advertising revenues when it switched last year after 18 years from pay service to basic service. The Yankees recently started a similar venture — "Yankee Entertainment Sports" or YES. "It's more money and more asset value for the team," Claiborne said. Initially, the Orioles network, operating out of a new studio on the fifth floor of the Camden Yards warehouse, will produce 74 games on WJZ-TV and WNUV in Baltimore and WB50 in Washington. Eventually, the network expects to include 10 to 12 stations in a six-state area, including Maryland, Delaware, Virginia, West Virginia, North Carolina and Pennsylvania and Washington. But the real money won't start pouring in for the network for another five years when the Orioles' contract with Comcast expires. That's when the Orioles will take the entire season, 162 games, in-house, he said. At that time, Claiborne said, the network will move into full swing, producing a 24-hour, seven-day-a week regional sports network that will sell advertising, then sell the package wholesale to cable networks in the six-state area, which in turn will sell the station to their estimated 6 million customers. Some 20 percent of the network's revenue will come from advertising, the other 80 percent from cable subscription fees, he said. "We need a critical mass to consider starting a network," Claiborne said. "We have a large critical mass of 5.5 million now, and an expected 6 million in five years." A minimum of 2 million to 2.5 million cable homes is necessary to even start up a network, he said. "Otherwise you'll never get enough return on your investment." In the beginning, the network will be buying "over air" time, Claiborne said. Therefore, there will be no pregame or postgame shows because of the expense of buying air time. "With the over-air broadcasts, we'll make reasonable bucks. The big bucks will come later on the cable side." But not without challenges, he said. "The bigger challenges are how long it will take clearance of cable companies. The fact we have a five-year run at this gives us a better shot at it. "Out there three years down the line when we're trying to get contracts signed, it won't be without hand-to-hand combat. Some won't want to carry it, others will say the price is too high." But the Boston network managed to get 100 percent cable participation — a fact that helped it pay off its capital start-up costs within three years. Once the network is up and running in five years, Claiborne, drawing from his 18 years with NESN, said viewers can expect to see an Orioles game live and then two two-hour reruns — devoid of advertising and game delays — in the middle of the night and again the next morning, followed by a morning news show in which the same 15-minute segments will be repeated over a four-hour time slot. Then the network will provide significant — probably an hour — pregame and postgame Orioles shows, as well as a 30-minute show highlighting a phase of the Orioles organization that is behind the scenes — such as the ticket operations or the mascots. Along the way, the network plans to acquire other programs — the pro teams in D.C., for example, or college lacrosse. "This is a regional sports network so we'll run games indigenous to the area," Claiborne said. Even ESPN, which buys the rights to 2,000 basketball games a year, but only shows 500, puts up some of the games for sale, Claiborne said, adding nearly all will be Division I action. "Programming is not a major problem." The on-air personalities initially will be the same ones who broadcast for Comcast SportsNet, but the games will be produced separately. Rounding out Claiborne's crew are Director of Operations and Programming Bob Whitelaw, who also was hired from NESN and has 35 years of experience in the broadcasting industry. He will

The Daily Record (Baltimore, MD.) February 20, 2002, Wednesday

develop an on-air look and oversee all aspects of production for the network. Producer Chris Glass previously worked as an executive producer for the Sunshine Network in Florida. Glass also worked on Orioles broadcasts at Home Team Sports from 1985 to 1998. The broadcasting sales team includes: Peter Paisley, general sales manager, Washington D.C.; Jim Hawes, general sales manager, Baltimore; Ivan Davis, national sales manager, corporate sponsorships; and Steve Dickler, national sales manager, broadcast sponsorships.

LOAD-DATE: February 20, 2002

1 of 2 DOCUMENTS

Copyright 2002 Dolan Media Newswires
The Daily Record (Baltimore, MD)

June 8, 2002 Saturday

SECTION: NEWS**LENGTH:** 1495 words**HEADLINE:** Orioles TV Network ready for 24/7 sports coverage**BYLINE:** Bruce Miller**BODY:**

In two months, the barren brick walls and the empty rooms at the Orioles Television Network's month-old permanent office space on the fifth floor of the Camden Yards Warehouse will not look anything like they do now.

Instead, the rooms will be filled with state-of-the-art production and editing equipment, television monitors and engineering equipment, pushing the network a huge step closer to the eventual launch of its 24/7 regional sports network.

"You come up here two months from now and you'll see these places packed with equipment," said John Claiborne, general manager of the recently formed network. "The studio will have cameras, a desk and a whole bunch of other toys, bells and whistles.

"You'll have a master control, where you're switching and adding commercials — where you're doing production. A lot of the things that take place in the truck will take place here, and you'll insert commercials here, audio and graphics. Those all come at a pretty good cost."

Patterned after the New England Sports Network, which is credited with quadrupling the television rights fees of the Boston Red Sox to \$330 million, the network began its initial run earlier this season. While it will be about five more years before the network achieves its goal of being a 24/7 sports network, officials remain optimistic by the network's performance so far this season.

"We're very happy with what we've done so far this year," said Claiborne, who was tapped by the Orioles earlier this year after serving as president and CEO of NESN. "As far as production, we're very thrilled. I guess because of the slowness of the ad sales market across the board, we haven't been as successful as I had hoped at this time.

"I won't discuss the amount, but it's not where we had hoped to be at this time. But we're confident, now that things are picking up with ad sales, that we'll be close to where we had hoped."

Test pattern

Meanwhile this year is serving as a quasi-test to determine the network's viability in the market. In past years, the Orioles games produced for both network and cable television were the work of Comcast Cable, which taped the games and bought time on regional networks where it aired a portion of the games. The remaining games aired on cable channels such as ESPN and Home Team Sports Network.

This year, although the Orioles are still under contract with Comcast, and will be for the next five years, the ball club will produce 71 games and air them on local channels WJZ-TV, Channel 13, and WNUV-TV 54, as well as 12 other regional networks as far away as North Carolina. Comcast will continue to have the rights for the remaining games and air them on cable television channels.

"Right now we're strictly your classic over-the-air broadcast," Claiborne said. "What we do is we go to the stations in town, NUV, JZ and Washington, we go there and what we do is either barter or purchase time ... and we go out and sell it to your classic advertisers, just as any broadcast outlet would.

"But this differs from what we'll do five or six years from now when we go to a regional sports network situation."

Meanwhile, Claiborne contends that having a completed studio will be a major push in helping the ball club roll out the 24/7 network. While he would not disclose exact startup costs, he said that when NESN launched in Boston it cost between \$7 million and \$8 million, with a major portion of the costs surrounding the purchase of studio equipment.

"Right now, we're doing everything out of the truck," he said. "We don't have the capabilities at the studio yet ... and there are certain limitations production-wise, but you still have the cameras and you're still cutting the game."

Additionally, having the finished studio also will allow the network to produce its weekly show "Orioles Magazine" — which is expected to be a feature of the 24/7 network in five years — to be produced in-house. Currently the ball club has to produce the show at an off-site production studio, which somewhat limits the amount of work that the network can put into the show.

"Again, once we have the studio it will lower costs and it also will help you work with it a little better because if you make errors you can come up here at any time and fix them," Claiborne said. "Right now we have to go to the production studio, which is fine, but it's not available 24 hours. The [new] studio will be available 24 hours."

Securing regional fans

For the remainder of the season and into next year, Claiborne said his major focus will be on continuing to build partnerships with regional television networks.

"We have to recapture and expand a little more in Virginia and North Carolina as far as additional stations," he said. "There won't be anything dramatic next year, because we'll continue to try to clear those stations ... in the outlying areas to try to improve the 14 outlets and make it 16, 18, 20. We'll probably do a better job in the sales area because we'll have had a full year run at it — where before we really didn't."

"I'm trying to recapture, if you will, some of the Virginia and North Carolina areas because ... we need to redevelop that area so that four or five years from now when we're out there regionally, it will be an easier sell because the Orioles had been out there," he added.

"If you're from the Baltimore area, you got the games through television, but then along came cable and you were familiar with the games and the product ... so you maybe purchased cable ... because it gave you excess games. The same thing will happen in North Carolina."

In about three years, the network will start gearing up in terms of personnel because it will need affiliate people to deal with the cable companies, more salespeople and also more production people to ready the network for its 24/7 debut.

Compared to the nine employees at the network, Claiborne expects to increase that number to 40 by the time the ball club's contract with Comcast expires in 2006.

What will happen when the network becomes a 24/7 cable channel is basically less games will be broadcast on network television, although Claiborne said there will still be 25 to 35 "free games" and the network will instead have to sell itself to regional cable providers.

"The money coming in when the network is fully operational will be mainly from affiliate fees," he said. "I'll come to you, the cable company, and say I want a certain amount of money per subscriber, per month for my service. It's different than a pay station; it's more like ESPN. Rest assured, ESPN's bill is somewhere in the [cable] bill that you pay."

Scoring equity

Once the network achieves its 24/7 format, Claiborne said the amount of money coming in will be "significant," although he declined to disclose how much he expects it will generate in 2006. He expects that about 20 percent of the money coming in will continue to be from advertisers, while 80 percent will be from affiliate fees.

He added that being a 24/7 network not only will increase annual revenue, but it also will build equity for the team, as was evidenced by the sale of the Boston Red Sox. That ball club was purchased for \$660 million, and about 50 percent of that value came from the sports network NESN.

"You have the year-to-year cash flow and then the overall equity, which if you were ever to sell or want to borrow money, you have a tremendous amount of equity in your club," Claiborne said.

Claiborne added that judging from the similarities of the planned network in Baltimore to the one launched in New

England and also the recently launched "Yankee Entertainment Sports," or YES, he expects the network to thrive.

"There is one element you have to have here that we have here, that YES has and that NESN had. I keep using the term 'critical mass,'" he said. "You have to have a certain amount of regional cable homes in the area.

"If you go to a small market that has a half-million cable homes available a regional sports network will not be successful, but when you come to the mid-Atlantic where you probably have conservatively 6 million cable homes ... you then have the significant mass necessary to be a regional sports network.

"New York enjoys that with about 8 million or 9 million cable homes, and Boston has about 4 million. So we have the mass to be successful. A smaller city could not do this; they're better off taking the offer they would get from their local cable provider or broadcaster."

While a major focus of the network's broadcasts will cover baseball, obviously this cannot continue 24 hours a day, seven days a week for 365 days. Instead, during the off-season, Claiborne said, the network will purchase programming not usually broadcast on major networks, as well as produce its own programming. For instance, he expects the network will air local college sports games and other sports programming of interest to the area.

LOAD-DATE: March 27, 2003

EXHIBIT 14

Posted on Mon, Mar. 07, 2005

At Comcast, sports mania

The local cable giant is launching programs nationwide and may be starting a new network.

By Don Steinberg
Inquirer Staff Writer

First Philadelphia, then the nation?

Comcast Corp. applied that manifest destiny in its spread across America to dominate the country's cable TV and Internet landscape. Now it appears to be unfurling the strategy to conquer the world of sports.

Since its failed attempt to buy ESPN and its parent company, the Walt Disney Co., last year, Comcast has been furiously launching its own TV sports programming around the country, leading to wide speculation that it may create a national sports network, one that would compete with ESPN, perhaps built around rights to telecast NFL games.

"[Comcast chief executive officer] Brian Roberts is the smartest guy in this whole industry, the way he has quietly put together a sports behemoth. The only question is, where does he want to take it?" said Marc Ganis, president of SportsCorp, a Chicago sports media consultancy. "He could start a new national sports channel and be in a quarter of the cable homes in the country right off the bat."

Launching a national channel would be huge, but Comcast has kept bigger bombshells secret, including its surprise hostile bids for Disney and AT&T Broadband before that. Comcast won't say a word about the sports-network speculation or whether it is in contention to get NFL games.

What began as Comcast SportsNet Philadelphia in 1997, then a Washington/Baltimore spin-off in 2001, has grown into sports channels in more than 20 million homes. In the second half of 2004, Comcast launched a sports-oriented channel in Detroit, a Cowboys channel in Dallas, and Comcast SportsNet West in Northern California.

It became partner in the New York Mets Network that, beginning in 2006, will carry most Mets games to three million homes. Comcast SportsNet Chicago launched in October with rights to Cubs, White Sox, Bulls and Blackhawks games. Comcast took over sports TV in America's third-largest city by making the teams part-owners of the channel.

Comcast already owns specialized national sports channels: the Golf Channel and Outdoor Life Network. Outdoor Life has entered ESPN territory, notably by acquiring the Gravity Games, which mimic ESPN's X Games.

This month, Comcast will use its clout as America's biggest cable provider to create its first homegrown national TV show: a sports-discussion program hosted by Lou Tilly. *Out of Bounds* will air weeknights at 11, opposing ESPN's *SportsCenter*. Comcast plans to find a local channel for the show in every major region it serves, even where it doesn't currently have sports channels.

Comcast also is one of the top owners of major-league teams, controlling the 76ers and Flyers and their arenas, even withholding team TV rights from satellite providers to keep customers on cable.

"Comcast's goal is to become one of the biggest names in sports in the country," said one cable executive, who asked not to be identified because he does business with Comcast.

With baseball's Washington Nationals soon to get an owner and strike a TV deal that might involve the Baltimore Orioles, Comcast is a player. It carries Orioles, Washington Wizards and Washington Capitals games, and it owns three minor-league baseball teams nearby.

"Are we interested in buying the Washington baseball team? I think the answer is probably not," said Steve Burke, Comcast's chief operating officer. "But if the question is, are we interested in carrying the Washington baseball team on Comcast SportsNet in Baltimore and Washington, the answer is yes."

Speculation that Comcast might assemble its separate pieces into a sports network heightened last month after one

personnel move and one comment by NFL commissioner Paul Tagliabue. First, Comcast hired its first national president of programming. Jeff Shell, former head of Fox Cable Networks, oversaw Fox Sports Net.

The next day, Tagliabue was asked about his league's negotiations over future rights to telecast NFL games. The NFL is talking with ABC and ESPN about renewing their rights to *Monday Night Football* and *Sunday Night Football*. The league also may sell rights to games on Thursday and Saturday nights. Tagliabue said the talks were complicated because "we are giving very serious consideration to being part of the launch of another major sports network."

He may have been talking about working with Rupert Murdoch, who controls the Fox television network and the DirecTV satellite service. He may have been bluffing to scare Disney, which owns ABC and ESPN. He may have been talking about Comcast.

"If Disney tries to push too hard against the NFL for the Monday night/Sunday night package, it would not surprise me if Comcast stepped in," Ganis said.

Comcast has been courting the NFL, America's premier sports property. Some remember that last March, at the NFL owners' meetings in Palm Beach, Fla., Roberts was seen talking to Dick Vermeil, the former Eagles coach who now leads the Kansas City Chiefs. Roberts said he was there for a family vacation, then joked: "We couldn't get Disney, so we're going after the NFL."

Last summer, Comcast became the largest distributor of the NFL Network, the league-owned football channel. The NFL Network, in 50 million homes, is among the channels that might get some NFL games as contracts are redone.

"You couldn't rule that out, but if we did, you want to do it with strong partners, and that would include Comcast," Tagliabue said in September. TV Week reported last week that Comcast is talking to the NFL about putting games on the Outdoor Life Network. There was no comment from Comcast or the league.

It surely is in Comcast's interest to become more self-sufficient in sports. Burke said sports programming is Comcast's largest cost and ESPN the most expensive channel it pays to distribute. In its deals with the NFL Network and NBA-owned NBA TV (which does carry games), Comcast gets sports without intermediaries such as ESPN.

"What Comcast is clearly doing is cutting out the middleman," said Dick Glover, vice president of broadcasting for NASCAR and former head of programming for ESPN.

There's no foreseeable day Comcast wouldn't need ESPN.

"ESPN has and probably will have for a long time the most compelling sports programming on television, and our number-one job is to get a reasonable carriage deal with ESPN," Burke said.

But even Mark Shapiro, ESPN's executive vice president of programming, said: "What they're doing in Chicago is going to be a home run. And you know what? They're competition in that way, and we've got an eye on them."

Comcast uses sports to compete against satellite TV.

"What we're really trying to do is give people things with cable that they can't do with satellite," Burke said.

Rival DirecTV recently paid \$3.5 billion to extend its rights to show every NFL game. But it doesn't have an On Demand archive of game highlights. The NFL was happy to give that to Comcast for agreeing to carry the fledgling NFL Network.

"It's pretty obvious that Steve Burke and Brian Roberts understand that sports is a very significant entertainment vehicle in the home," said Ross Greenburg, president of HBO Sports. "They've become a powerful force."

"They've certainly decided that sports is amongst the programming sources that are going to drive their cable profits, and that's good for them and good for us," NBA commissioner David Stern said.

But he would say that. Like everyone in sports, Stern does business with Comcast.

Other Comcast Sports Holdings

Cable channels

Outdoor Life Network

Action sports, cycling

62 million subscribers

The Golf Channel

Golf tournaments

70 million subscribers

CNS

(Maine to Maryland)

Local sports coverage

6.4 million subscribers

Teams

Philadelphia 76ers

Philadelphia Flyers

Philadelphia Phantoms

Bowie Baysox

Frederick Keys

Delmarva Shorebirds

Facilities

Wachovia Center

Wachovia Spectrum

Comcast Center at University of Maryland (naming rights only)

SOURCES: Comcast; Inquirer research

Contact staff writer Don Steinberg at 215-854-4981 or dsteinberg@phillynews.com.

EXHIBIT 15

97-171

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March 17, 1997

CONFIDENTIAL -- VIA HAND DELIVERY

Ms. Meredith Jones
Chief
Cable Services Bureau
Federal Communications Commission
2033 M Street, N.W.
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Washington, D.C. 20554

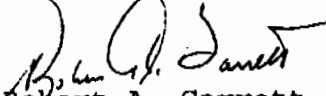
Dear Ms. Jones:

Enclosed please find (i) a copy of a Carriage Agreement Complaint filed by Classic Sports Network, Inc. ("CSN") today, and (ii) a copy of an affiliation agreement ("Agreement") which was appended to CSN's complaint in redacted form.

Pursuant to 47 C.F.R. §§ 0.459 and 76.1302(h), CSN requests that the Commission treat the enclosed Agreement on a confidential basis. The Agreement is not routinely available for public inspection, and the Agreement contains trade secrets and financial information of a proprietary nature. This application for confidential treatment is filed in the event that the Agreement is not covered by 47 C.F.R. § 0.457 (providing confidential treatment for trade secrets).

Please notify us within five (5) days if such application for confidential treatment is denied, so that CSN may exercise its options under 47 C.F.R. § 0.459(g).

Sincerely,


Robert A. Garrett

Enclosures

RECEIVED

MAR 17 1997

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Federal Communications Commission
Office of Secretary

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

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CABLE SERVICES BUREAU

In the Matter Of

CLASSIC SPORTS NETWORK, INC.,

Complainant,

v.

CABLEVISION SYSTEMS CORPORATION,

Defendant.

File No. _____

CARRIAGE AGREEMENT COMPLAINT

TO: The Commission.

Complainant, Classic Sports Network, Inc.

("CSN"), for its Complaint against the defendant, Cablevision Systems Corporation ("Cablevision"), alleges as follows:

1. This Complaint is brought pursuant to Section 616 of the Communications Act of 1934, 47 U.S.C. § 536 ("Section 616"), and §§ 76.1301(a) and (b) of the Commission's rules, 47 U.S.C. §§ 76.1301(a) and (b), arising from Cablevision's insistence upon a financial interest in CSN as a precondition to carrying CSN's program service, Classic Sports Network (the "Service"), on major cable systems in violation of 47 C.F.R. § 76.1301(a). Cablevision has also engaged in coercive behavior in an effort to force CSN to provide

Cablevision with exclusive rights against other multichannel video programming distributors as a condition of carriage, and has retaliated against CSN for failing to provide Cablevision with such exclusive rights, in violation of 47 C.F.R. § 76.1301(b).

PARTIES AND JURISDICTION

2. CSN, a New York corporation, has its principal office and place of business at 300 Park Avenue South, 6th Floor, New York, New York 10010. CSN's telephone number is (212) 529-8000. CSN distributes video programming to cable operators and other multichannel video programming distributors, and is a video programming vendor as defined in 47 U.S.C. § 536(b) and 47 C.F.R. § 76.1300(d).

3. Cablevision, a Delaware corporation, has its principal office and place of business at One Media Crossways, Woodbury, New York 11797. Cablevision's telephone number is (516) 364-8450. Cablevision, directly and through its affiliates, provides cable service over cable systems and is a cable operator, *i.e.*, a multichannel video programming distributor, as defined in 47 C.F.R. § 76.1300(c).

4. CSN provided Cablevision with written notice of its intent to file a complaint with the Commission, as required by 47 C.F.R. § 76.1302(a), on February 28, 1997. A true copy of that notice is attached hereto as

Exhibit 1. Cablevision responded to such notice on March 7, 1997.

5. Attached hereto as Exhibit 2 is an affidavit executed by Stephen D. Greenberg, President of complainant CSN, as required by 47 C.F.R. § 76.1302(c)(2).

FACTS

6. CSN distributes the Service, a video program service focusing on classic sporting events and sports personalities. Unlike most cable programming services, the Service was conceived and created, and is operated, by two individual entrepreneurs without the backing of any MSOs or cable programming companies. As such, CSN is one of the few independent programmers to have launched a new network in recent years. Since its launch in May 1995, CSN has obtained carriage on over 175 cable systems, as well as with the two leading direct broadcast satellite services.

7. Cablevision is the sixth largest cable operator in the United States. It operates cable systems in six states. A number of Cablevision's systems are located in the New York metropolitan area, including parts of New York City, Long Island, Connecticut and New Jersey. These systems alone have over one million subscribers, representing approximately 60% of the homes in the New York ADI. In all, systems

owned and managed by Cablevision have a total of 2.8 million subscribers.

8. Affiliates of Cablevision, including its wholly-owned subsidiary Rainbow Programming Holdings ("Rainbow"), provide video programming services that are distributed both by Cablevision systems and unaffiliated multichannel video programming distributors. Among the Cablevision-owned programming services are eight regional SportsChannel services, including SportsChannel New York ("SCNY") and a second New York SportsChannel ("SC2"), which feature live and other sports programming; the sports services of Prime SportsChannel Networks, including Prime Network and NewSport; and other services including American Movie Classics, Bravo, Romance Classics, the Independent Film Channel and Rainbow News 12. Cablevision also has an ownership interest and a 50% management interest in Madison Square Garden Corporation ("Garden"), which controls broadcast and cable rights to several New York professional sports teams and other sports events, and which owns Madison Square Garden Network ("MSG"), a sports-oriented programming service which is distributed throughout the New York market. Cablevision has announced an agreement to increase its interest in Garden and MSG to 100% ownership.

**CSN's Affiliation Agreement With Cablevision
and Its Unsuccessful Attempts in 1994-95 to
Obtain Carriage**

9. CSN launched its service in May 1995. Prior to that launch, CSN had discussions with a number of potential investors, including Liberty Sports, the predecessor of Fox Sports Net and the sports programming arm of Liberty Media Corporation. Initially CSN decided, however, not to approach Cablevision for an investment.

10. In April 1994, CSN publicly announced its plans for the Service, and it was widely reported in the news media that Liberty Sports was one of CSN's backers. (The deal with Liberty Sports, while anticipated at that time, ultimately did not materialize.) Shortly before CSN's announcement, Ed Frazier, who was President of Liberty Sports at the time, told CSN that Cablevision wanted to invest in CSN and that it was threatening to announce a competing "classic" sports channel, apparently as a tactic to obtain an interest in CSN.

11. Frazier subsequently told CSN that he had offered Cablevision an opportunity to invest in CSN, because he believed Cablevision would not agree to carry CSN unless it was granted an ownership interest. Although CSN previously had determined not to seek an investment from Cablevision, at Frazier's suggestion a meeting was set up between Stephen Greenberg and Brian

Bedol (CSN's Chief Executive Officer) and Josh Sapan, President of Rainbow. Sapan confirmed that Cablevision wanted to purchase an interest in CSN and arranged a further meeting to discuss such a purchase.

12. After these initial contacts, CSN received additional inquiries from Cablevision during 1994 regarding a possible investment, but CSN decided not to pursue the potential investment with Cablevision any further. CSN's decision not to include Cablevision as an investor was reinforced by the conversations with Sapan, in which he made it clear that Rainbow wanted to manage CSN, as well as invest in it. CSN was not interested in turning over its management to Cablevision. During the period prior to the launch of the Service, Cablevision was the only major MSO that was unwilling to meet with CSN about carrying the Service on its cable systems.

13. In May 1995, after CSN was launched on other systems, Greenberg received a phone call from Mack Budill, Director of Programming of Cablevision, saying that Cablevision was interested in launching CSN and needed to get an affiliation agreement done right away.

14. Following Budill's phone call to Greenberg, CSN and Cablevision hastily negotiated an affiliation agreement and executed it on July 26, 1995, so that Cablevision could launch CSN during its upcoming channel

launch window to coincide with system rate increases. A true copy of that agreement is attached as Exhibit 3. (Pursuant to the Commission's regulations, the affiliation agreement is designated as confidential proprietary information and is being filed in the public record in redacted form.).

15. The affiliation agreement specified the prices, terms and conditions under which Cablevision could carry CSN on any of its systems. It also provided that Cablevision could qualify for CSN's Charter Rates (a reduced rate schedule) if it launched the Service on its Norwalk, Connecticut system by September 1, 1995. Cablevision represented to CSN that it intended to launch the Service on the Norwalk system by that date.

16. In addition to the imminent launch of CSN on the Norwalk system, Budill told CSN of Cablevision's plans for major launches of the Service on systems in Long Island and Yonkers, New York.

17. After executing the affiliation agreement, Cablevision continued to represent to CSN that it planned to launch the Service in Norwalk and on other Cablevision systems, and the parties took steps toward such a launch. On August 1, 1995, Thomas Montemagno, Programming Manager for Cablevision, called Greenberg to say he had "good news" -- Cablevision would launch the Service on September 1, 1995 on its 100,000 subscriber

Norwalk system, and would follow soon thereafter on its 70,000 subscriber Bridgeport, Connecticut system.

Montemagno said Cablevision was "going head to head" with Southern New England Telephone ("SNET"), which was introducing a competing multichannel video service in Fairfield County, Connecticut.

18. On August 11, 1995, Montemagno sent CSN an executed Digicipher authorization form to authorize transmission of the Service's signal to the Norwalk system. That form indicated a September 1 launch date for the Service on Channel 78 in Norwalk.

19. On August 21, 1995 -- 11 days before the scheduled launch in Norwalk -- Budill called Greenberg to give him a "heads up" that Cablevision was slated to launch the Service on some small systems in New Jersey and on Long Island, in addition to the Connecticut systems. However, Budill said, there was a "problem" stemming from Cablevision's (incorrect) belief that Liberty Sports was an investor in CSN, while Cablevision had been excluded from making such an investment. Greenberg informed Budill that CSN had no ownership affiliation with Liberty.

20. Despite Greenberg's assurances that Liberty Sports was not an investor, in a subsequent call Budill told Greenberg that Cablevision's launch of the Service had been "suspended" because of the "problem" with

Liberty Sports. Indeed, when Greenberg spoke to the general manager of Cablevision's Norwalk system, Bob Shrader, about this issue, Shrader told him that his hands were tied. The launch had been pulled by "corporate," but Shrader wanted to launch CSN and would hold the channel slot as long as possible.

21. Cablevision did not proceed with the agreed September 1995 launch of the Service on the Norwalk system, nor with the other launches on Long Island, Yonkers and New Jersey that its representatives had indicated would follow. By January 1996, the channel slot on the Norwalk system that had been reserved for the Service had been given away to another programming service.

22. Although CSN definitively established that Liberty Sports was not a partner in CSN, Cablevision did not agree to carry the Service on any of its systems in 1995. Greenberg was subsequently told by Ed Frazier, President of Liberty Sports, that Josh Sapan of Rainbow was adamant about wanting an equity interest in CSN and would not agree to carry the Service until Cablevision obtained an ownership interest in CSN.

23. In early October, Greenberg phoned Charles Dolan, Chairman of Cablevision, to explain his belief that CSN was being treated unfairly by Cablevision,

explaining that no cable operators owned interests in CSN. Dolan told Greenberg to speak with Peter Low.

24. In an effort to resolve the supposed "problem" created by Cablevision's concern about the possible involvement of Liberty Sports, Greenberg sent a letter on October 3, 1995 to Peter Low, Cablevision's Vice President of Programming, with a copy sent to Charles Dolan. A true copy of that letter is attached as Exhibit 4. Neither Low nor Dolan ever responded.

The Popularity Of CSN

25. Apart from its difficulty in obtaining carriage on Cablevision systems, the Service has been very well received in the multichannel video marketplace, both by cable operators and direct broadcast satellite services. It has obtained carriage from major multichannel video programming distributors, including each of the top five MSOs: TCI, Time Warner, Cox, Continental and Comcast. Like Cablevision, each of these distributors has equity interests in video programming services. Unlike Cablevision, all have been willing to distribute the Service to a significant number of their subscribers.

26. Last year CSN entered into an agreement with ITT-Dow Jones Television pursuant to which the Service was carried on the broadcast station WBIS in New York. Because WBIS is a "must carry" station, it is carried on

every cable system (including Cablevision's) throughout the New York ADI including most of Northern New Jersey; Fairfield County, Connecticut; Westchester County, New York; Long Island and New York City. Pursuant to this arrangement, the Service was carried on WBIS from 9 a.m. to 11 p.m. Monday through Friday and noon to 11 p.m. on Saturday and Sunday from July 1 through October 14, 1996, and then expanded those hours to 7 a.m. to 11 p.m. through January 21, 1997.

27. Once exposed in the New York market, the Service became an overnight sensation. Sports and television columnists from every major newspaper wrote articles about the popularity of the Service in New York. In addition, CSN received thousands of letters, phone calls and e-mails from viewers in the New York market expressing their passionate support and desire to continue receiving the Service. Attached as Exhibit 5 are copies of several of the articles and letters CSN has received from New York area subscribers.

28. The popularity of the Service was clear even at Cablevision. While Cablevision's corporate executives balked at carrying the Service, various Cablevision system managers were interested in having the program service, especially the management of Cablevision's Boston system. After weeks of delay, Cablevision approved the launch in February 1996 of the

Service on that system -- but only on a tier that is purchased by approximately 30,000 of Cablevision's 145,000 Boston customers.

29. As described below, top management at Cablevision has consistently refused to carry the Service on its major systems -- especially in the New York area. Individual Cablevision system managers in the New York area, however, have told CSN employees that they love the Service, it is popular with their subscribers and that they would like to carry it. However, all such potential launches have been blocked by the actions of Cablevision's top management.

Cablevision's Demands For A Financial Interest

30. As set forth below, CSN and Cablevision had discussions throughout 1996 regarding carriage for CSN on additional Cablevision systems, especially the important cluster of systems in the New York area. While negotiations dragged on, however, Cablevision repeatedly emphasized the linkage between a financial interest in CSN and carriage of the Service.

31. On September 26, 1996, Greenberg and Bedol attended a cable industry function in New York City. Following dinner, and without any preamble, Josh Sapan, President of Rainbow, and Hank Ratner, Rainbow's Executive Vice President, approached Greenberg, saying Cablevision wanted to buy CSN and asking for CSN's

price. Greenberg informed Sapan and Ratner that CSN had just completed a major financing in early September and had no interest in exploring a possible sale of CSN. Nevertheless, Sapan and Ratner persisted and said that James Dolan, Cablevision's President, spoke frequently about his desire to own CSN. In Sapan's words, Dolan was "obsessed" with buying CSN.

32. The following day, Greenberg and Bedol met with Mark Shuken, Vice President and General Manager of Cablevision's SportsChannel New York ("SCNY"), and Mike Bair, Executive Vice President of SportsChannel. This meeting had been scheduled several days earlier at Shuken's request. At the meeting, Shuken said he wanted to discuss a possible arrangement by which the Service could be carried on New York area cable systems as a complement or "wraparound" to SCNY or SC2 programming, in which CSN programming would be shown during those periods in which live sports programming was unavailable. In that meeting, Shuken presented two such "wraparound" scenarios. Bair then offered a third option which, he made clear, was Cablevision's preferred scenario: sell CSN to Cablevision outright. Bair said James Dolan was talking about buying CSN "in every meeting we have," and recommended that Greenberg and Bedol pursue the idea quickly. In fact, Bair indicated an interest in examining CSN's books and records so that

Cablevision could structure an offer for CSN. Greenberg and Bedol again rejected a sale to Cablevision, but indicated a desire to pursue carriage discussions either as a wraparound or 24-hour stand-alone service.

33. Following more conversations concerning carriage for the Service on Cablevision's New York area systems, another meeting was held in Woodbury, New York on October 9, 1996. Greenberg had scheduled the meeting with Shuken, but they were joined by Bair and Ratner, who had been with Sapan during the September 26 conversation in New York. The "wraparound" scenarios were never discussed. Instead, Ratner immediately raised the issue of Cablevision's buying CSN. Greenberg reiterated that CSN was not for sale. Ratner repeatedly pressed Greenberg for a price at which CSN would sell to Cablevision, and Greenberg refused to do so. If Greenberg would not name a price, Ratner suggested, CSN should at least give Rainbow access to CSN's financial information, affiliation agreements and program supply agreements, so that Rainbow could make a purchase offer. CSN refused to do so, but Ratner told Greenberg to think about it and call him the following day.

34. Greenberg did not call Ratner. Two days later, Ratner called Greenberg again to inquire as to his willingness to entertain an offer to sell CSN.

Greenberg reiterated, yet again, that CSN was not for sale.

35. In January 1997, an intermediary with a close relationship to Cablevision offered to find out why CSN was having so much trouble obtaining any additional carriage on Cablevision's systems. Several days later, the intermediary reported to Greenberg that Cablevision's Vice Chairman, Marc Lustgarten, had told him that Cablevision "likes CSN a lot, but if we don't own it we don't have any incentive to launch it."

36. That Lustgarten was stating Cablevision's policy is apparent in light of Cablevision's recent channel addition decisions. Cablevision, of course, would have people think otherwise. Toward that end, Cablevision issued a press release on March 3 citing lack of channel capacity as a reason for not carrying CSN and other new services on its New York area systems and stating that "we are doing our best to accommodate the many new services that wish to be carried." Despite this statement, the fact remains that Cablevision launched its wholly-owned Romance Classics channel on all of its New York City cable systems in Brooklyn and the Bronx immediately upon the initial satellite transmission of Romance Classics in February 1997. CSN is informed and believes that Romance Classics is the only channel that has been added to Cablevision's New

York City systems this year, further evidencing Cablevision's policy of giving substantial, if not universal, cable distribution to the networks that it owns at the expense of other programming services in which it does not own a financial interest.

37. More recently, Rainbow has been inquiring about licensing rights to sports programming with the avowed intent of introducing a "nostalgic, Classic Sports-like service." CSN does not know whether Rainbow has denied carriage to CSN in anticipation of introducing its own affiliated programming service that would compete directly with CSN, or whether it simply wants it made known to CSN that it is considering introducing a similar service in order to coerce CSN into acceding to its demand for a financial interest in, or total ownership of, CSN. Press reports have stated that Cablevision has previously sought to extract an ownership interest in a programming service (Court TV) by publicly announcing fictitious plans to launch a competing service. See Article in Cable World (copy attached as Exhibit 6). The article added that "Cablevision is notorious for pushing the limits."

Cablevision's Demands for Exclusivity

38. Based on earlier conversations in which Cablevision made it clear that it desired exclusive rights to CSN programming against other multichannel

video programming vendors, CSN proposed an amendment to its July 1995 affiliation agreement that would grant Cablevision exclusive rights to terrestrial distribution of CSN within Cablevision's franchise areas in Massachusetts, New Jersey and New York (but not Connecticut), in exchange for Cablevision's agreement to launch the Service. This offer did not, however, satisfy all of Cablevision's demands for exclusivity.

39. In October 1996, Cablevision began to demand that CSN grant exclusivity against SNET in Connecticut as a condition for carriage on any additional Cablevision systems. SNET had been granted a statewide cable franchise in Connecticut and had announced plans to aggressively overbuild a number of markets throughout the State, including Cablevision's Fairfield County territory. Peter Low, Cablevision's Vice President of Programming, told Greenberg that exclusivity was a "key issue" for Cablevision, and was a "hot button" for Charles Dolan. Low said that Cablevision would launch the Service on the lowest price Optimum tier, i.e., its most highly penetrated tier, in exchange for exclusivity in Connecticut, New York, New Jersey and Boston.

40. CSN was not sure that it could offer Cablevision exclusive rights against SNET in Connecticut consistent with CSN's other affiliation agreements. On November 8, 1996, Low told Greenberg that exclusivity in

Connecticut was mandatory from Cablevision's perspective in order for it to launch the Service on any additional systems. He insisted that CSN take the position that it would not authorize SNET to launch the Service in Connecticut and that it litigate that position if necessary. Greenberg agreed to revise the draft exclusivity agreement to accommodate Cablevision's demand, and sent a revised draft to Low. Greenberg made it clear that he needed a response to this offer in a timely manner. However, Low never responded to this November draft, nor did he respond to Greenberg's subsequent telephone calls and faxes on the subject.

41. On January 7, 1997, having received no response from Cablevision, CSN authorized SNET to launch the Service in Connecticut. Thereafter, in mid-January 1997, Low asked Greenberg about the status of CSN's arrangement with SNET. Greenberg advised Low that CSN had authorized SNET to launch the Service. Low asked if that could be undone, and Greenberg replied that it could not.

42. In that conversation with Low, Greenberg again asked Low about a launch of the Service on Cablevision systems in New York, New Jersey and Connecticut in light of the popularity of the Service. Low said that Cablevision would not consider launching CSN.

43. On January 17, 1997, Bedol phoned Low to ask "what it would take" for Cablevision to carry the Service on additional systems. In response, Low asked Bedol whether Cablevision could obtain exclusivity for the Service in Connecticut, and Bedol agreed to look into it. On January 22, 1997, Bedol informed Low that SNET had been authorized to launch the Service. Low told Bedol that unless Cablevision could get exclusive rights to the Service in Connecticut, it would not launch the Service anywhere and it was unlikely that the two companies could do business together anywhere.

44. On or about January 29, 1997, Greenberg called James Dolan, who returned the call the following day. Dolan made it clear that negotiations were at an end and stated that Cablevision would not launch the Service.

Consequences Of Cablevision's "Freeze-Out" of CSN

45. Cablevision system managers continue to recommend to their management that the Service be added to their program line-ups, but Cablevision senior management will not authorize such carriage.

46. Despite the fact that CSN has had an affiliation agreement with Cablevision since July 1995; despite the fact that the Service has been launched by the country's other major cable and DBS operators and that it has been a popular service where it is carried;

despite the fact that Cablevision executives, from James Dolan down to system general managers, all profess enthusiasm for the Service; despite the Service's undeniable popularity in the New York market; and despite the fact that Cablevision has previously promised to launch it on various of its systems, the Service is carried only on a low-penetration tier on Cablevision's Boston system and on two small systems in the suburban Cleveland municipalities of North Olmsted and Berea with a total of 23,000 subscribers.

47. As a result, CSN is unavailable to Cablevision's over one million subscribers in the New York metropolitan area, as well as to most Cablevision subscribers elsewhere. CSN's inability to reach so many subscribers in the largest media and advertising market in the country has a disproportionate impact on its ability to establish itself as a viable programming service.

COUNT I

VIOLATION OF 47 C.F.R. § 76.1301(a)

48. Paragraphs 1-47 above are repeated and realleged as if fully set forth herein.

49. Congress sought, in the Cable Television Consumer Protection and Competition Act of 1992 (the "1992 Cable Act"), to promote competition and diversity of programming and to proscribe coercive practices by

which cable operators would force video programming vendors to grant financial interests in their program services or exclusive rights to those services as a condition of carriage. Section 616, which was added by Section 12 of the 1992 Cable Act, charged the FCC with establishing regulations "governing program carriage agreements and related practices between cable operators or other multichannel video programming distributors and video programming vendors." 47 U.S.C. § 536(a).

50. Congress further directed that such regulations "shall include provisions designed to prevent" cable operators from requiring a financial interest in a program service as a condition of carriage on one or more of such operator's systems, and from coercing a video programming vendor to provide, or retaliating against such a vendor for failing to provide, exclusive rights against other multichannel video programming vendors as a condition of carriage on a system. 47 U.S.C. § 536(a)(1)-(2).

51. The Commission adopted regulations under § 616 on September 23, 1993. Those regulations state:

(a) Financial Interest. No cable operator or other multichannel video programming distributor shall require a financial interest in any program service as a condition for carriage on one or more of such operator's/provider's systems.

(b) Exclusive rights. No cable operator or other multichannel video programming distributor shall coerce any video programming vendor to provide,

or retaliate against such a vendor for failing to provide, exclusive rights against any other multichannel video programming distributor as a condition for carriage on a system.

47 C.F.R. § 76.1301(a) - (b) .

52. Cablevision has engaged in a clear and persistent pattern of conduct, over an extended period of time, of refusing to carry the Service on any of its systems beyond the meager carriage it has provided to date -- and, in particular, by refusing to carry the Service on its large cable systems in the New York area -- unless CSN accedes to its demands for a financial interest in, or total ownership of, CSN. Cablevision's conduct has gone far beyond good faith bargaining over a possible purchase to an adamant refusal to carry the Service unless it owns CSN.

53. By conditioning carriage of the Service on one or more of its systems on CSN's granting or selling a financial interest in CSN to Cablevision, Cablevision has violated the express prohibitions of § 76.1301(a) of the Commission's Rules, 47 C.F.R. § 76.1301(a) .

COUNT II

VIOLATION OF 47 C.F.R. §76.1301(b)

54. Paragraphs 1-53 above are repeated and realleged as if fully set forth herein.

55. Cablevision also has demanded exclusive rights to the Service as a condition of carriage, and

has retaliated against CSN for its failure to grant the full range of exclusive rights demanded by Cablevision, by refusing to carry the Service on any of its systems beyond the meager carriage it has provided to date -- and, in particular, by refusing to carry the Service on its large cable systems in the New York area.

56. By engaging in coercive behavior in an effort to force the grant of exclusive rights against other multichannel video programming vendors as a condition of carriage of CSN on one or more of its systems, and by retaliating against CSN -- by denying such carriage -- for its refusal to grant the full range of exclusive rights demanded by Cablevision as a condition of carriage, Cablevision has violated § 76.1301(b) of the Commission's Rules, 47 C.F.R. § 76.1301(b).

CONCLUSION

57. Cablevision's behavior, as set forth above, is precisely the sort of conduct that Congress sought to prevent in enacting Section 616 and that the Commission condemned when it adopted its 1993 Order implementing Section 616. As the Commission stated in that Order: "We believe that ultimatums, intimidation, conduct that amounts to the exertion of pressure beyond good faith negotiations, or behavior that is tantamount to an unreasonable refusal to deal with a vendor who refuses to grant financial interests or exclusivity rights in

exchange for carriage, should be considered examples of behavior that violates the prohibitions set forth in Section 616." *In re Implementation Of Sections 12 and 19 Of The Cable Television Consumer Protection and Competition Act of 1992, Development Of Competition and Diversity In Video Programming Distribution and Carriage*, 9 FCC Rcd. 2642 at ¶ 17 (1993).

58. Unless the Commission grants relief to CSN in this case, Cablevision and other multichannel video programming distributors will feel free to continue to coerce independent programming vendors to extract financial interests or exclusive rights without regard to the intention of Congress and the Commission that such conduct be prohibited.

RELIEF SOUGHT

WHEREFORE, CSN respectfully requests, pursuant to 47 C.F.R. § 76.1301(s), that the Commission:

(a) Order Cablevision to provide the Service carriage on all Cablevision systems, pursuant to the terms of the affiliation agreement between CSN and Cablevision dated July 26, 1995;

(b) Order that carriage for the Service on such Cablevision systems be implemented without delay;


(c) Order that, if one or more of such Cablevision systems lacks capacity to add carriage of the Service, such system delete a programming service

owned or controlled by Cablevision or its affiliates in order to accommodate immediate carriage of CSN; and

(d) Grant CSN such other and further relief as may be just and proper.

Dated March 17, 1997.

Respectfully submitted,



Robert A. Garrett
Philip W. Horton
Richard L. Rosen
Robert M. Cooper


ARNOLD & PORTER
555 12th Street, N.W.
Washington, D.C. 20004-1202
(202) 942-5999

Attorneys for Classic Sports
Network, Inc.

COMPLAINANT'S SIGNATURE

Stephen D. Greenberg, President of Complainant
Classic Sports Network, Inc. ("CSN"), hereby signs this
Carriage Agreement Complaint on behalf of CSN as
prescribed by 47 C.F.R. § 76.1302(k)(3).

March 17, 1997.

A handwritten signature in cursive script, reading "Stephen D. Greenberg", written over a horizontal line.

Stephen D. Greenberg
President
Classic Sports Network, Inc.
300 Park Avenue South
6th Floor
New York, N.Y. 10010
(212) 529-8000

CERTIFICATE OF SERVICE

Complainant Classic Sports Network, Inc., by
counsel, hereby certifies that the foregoing CARRIAGE
AGREEMENT COMPLAINT has been served upon the following
individuals on this 17th day of March 1997 by the method
indicated:

James Dolan
President
Cablevision Systems Corporation
One Media Crossways
Woodbury, New York 11797

(By United States Mail, First Class, Postage
Prepaid and By Federal Express)

Robert S. Lemle, Esq.
Executive Vice President and
General Counsel
Cablevision Systems Corporation
One Media Crossways
Woodbury, New York 11797

(By United States Mail, First Class, Postage
Prepaid and By Federal Express)



Robert M. Cooper

In the Matter of
CLASSIC SPORTS NETWORK, INC.,
Complainant
v.
CABLEVISION SYSTEMS, CORPORATION
Defendant.

2. I have read the complaint in this matter. To the best of my knowledge, information and belief formed after reasonable inquiry, the complaint is well grounded in fact and is warranted under Commission regulations

and policies. The complaint is not interposed for any improper purpose.


Stephen D. Greenberg

Subscribed and sworn to before me this 14th day of March, 1997.


Notary Public

My Commission expires:

9/30/97

JUDITH A. VOLLMAR
Notary Public, State of New York
No. 4701978
Qualified in Orange Co.
Commission Expires 9/30/97

EXHIBIT 16

FOCUS - 90 of 275 DOCUMENTS

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The New York Post

August 11, 2003, Monday

SECTION: All Editions; Pg. 029

LENGTH: 496 words

HEADLINE: COMCAST CLOSER - ROBERTS BRINGS ON HERB ALLEN FOR VIVENDI BID

BYLINE: TIM ARANGO

BODY:

Comcast is getting serious about making a run for Vivendi Universal Entertainment, and the cable giant has retained powerhouse media banking firm Allen & Co., The Post has learned.

The interest level among Comcast executives in pursuing VUE has ratcheted up in recent days, and the company is now likely to submit a formal proposal, according to executives involved in the auction process.

Those execs caution that Comcast has not made a final decision, and that the company has not yet received authority from its board of directors to make an offer.

In addition to hiring Allen & Co., Comcast - as first reported last week in The Post - has retained former Universal Studios chief Frank Biondi as a consultant to help with due diligence.

Vivendi and Comcast declined comment.

Vivendi has said it wants bids by Friday, Aug. 15, but sources say that is not a hard deadline.

Comcast might put forth a bid as soon as this week, sources say.

Vivendi is seeking roughly \$15 billion for the assets - a valuation some say is steep and has led at least two companies to back away from the auction. MGM has officially said it will not submit another offer, while John Malone's Liberty Media has also backed away.

Media industry sources say Comcast is not interested in putting its shareholders through a costly bidding war. These sources say that if Comcast believes Vivendi is intent on doing a deal with NBC, then the cable giant will likely back away.

For several weeks, NBC has been seen as the front-runner, and it is proposing a joint venture between NBC and Vivendi.

Comcast recently sold a majority stake in home-shopping channel QVC to Liberty Media for \$7.9 billion. The media industry has been abuzz with speculation about Comcast chief Brian Roberts' next move, now that it's got plenty of cash.

Roberts has been praised for integrating AT&T Broadband in a \$30 billion deal completed last year ahead of schedule. He's now looking for opportunities in content.

If the Vivendi acquisition doesn't pan out, most media executives expect Roberts eventually to make a run at Disney.

Comcast investors have thus far given their approval for Roberts' strategy. Shares are up about 18 percent on the year, and currently trade roughly where they were a few weeks ago - when the news broke that Comcast might acquire Vivendi.

Vivendi execs say they hope to complete a deal by the end of September, although they caution that the timetable is in flux.

The New York Post August 11, 2003, Monday

GRAPHIC: Gearing up: Comcast is likely to bid on Vivendi entertainment assets, as early as this week, sources said. Comcast is backed by power investment banker Herb Allen and recently hired former Universal Studios boss Frank Biondi to help review VivendiAEs books.

HERB ALLEN: Allen & Co. Boss. BRIAN ROBERTS Comcast CEO. FRANK BIONDI. CATHERINE ZETA-JONES and GEORGE CLOONEY star in Universal Pictures' upcoming 'Intolerable Cruelty.' NY Post: David Rentas; Reuters; Universal Studios

LOAD-DATE: August 11, 2003

FOCUS - 84 of 275 DOCUMENTS

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August 14, 2003 Thursday

SECTION: NEWS; Homepage

LENGTH: 277 words

HEADLINE: Comcast unplugs buyout bid for Vivendi Universal

SOURCE: Online

BYLINE: Georg Szalai

BODY:

Becoming the latest suitor to abandon the bidding process for Vivendi Universal's entertainment assets, cable giant Comcast Corp. said Thursday morning that it does not intend to make a takeover offer.

The move leaves General Electric's NBC and a consortium around Edgar Bronfman Jr. and Cablevision Systems as the leading suitors, with NBC widely seen as the favored contender.

In a one-line statement, Comcast did not provide an explanation for its decision. However, sources familiar with the process said the company, known for its disciplined approach to deal-making, was not ready to meet Vivendi Universal's price expectations.

Vivendi Universal has signalled it is looking for VUE to fetch about \$14 billion, while most suitors have been unwilling to bid more than \$11 billion-\$12 billion.

Comcast had recently hired investment bank Allen & Co. and former Universal executive Frank Biondi to help it make a decision on a potential VUE bid.

Its dropping out comes several weeks after MGM said it is leaving the VUE bidding process, because of Vivendi Uni's price expectations.

Other potential bidders, including Viacom Inc. and John Malone's Liberty Media, have also hinted that they are not willing to pay the price tag that Vivendi Uni desires.

The French-U.S. conglomerate has also already eliminated oil billionaire Marvin Davis from the sales process.

A spokesman for Bronfman has said his investment group plans to submit a final bid for VUE by a Monday deadline. NBC is also expected to hand in a final offer.

Vivendi Uni has said it will make a decision on the final bids by early September at the latest.

LOAD-DATE: January 16, 2004

Philadelphia Inquirer August 13, 2003 Wednesday CITY-D EDITION

Nonetheless, Wall Street oddsmakers say Comcast is not driving to win this race – at least not the whole thing.

"I still don't think there's a strong rationale for acquiring the assets," said Todd Mitchell, an analyst with Blaylock & Partners.

"I think that it's one of those instances where they're obligated to look at it... If they could pick it up really on the cheap, it might make sense."

But Vivendi has not given any indication it is about to hold a fire sale.

Aryeh Bourkoff, an analyst with UBS, wrote that though Comcast can pony up the kind of cash Vivendi is seeking, it probably will not.

"We believe these talks are likely in exploratory stages only, and believe that the company would not structure a deal of that magnitude that would put its recent deleveraging plan off track and its equity at significant risk for dilution," Bourkoff wrote.

Mitchell said it would make sense for Comcast to acquire Vivendi's cable channels, but not the other properties.

"The cable networks are attractive; the issue is the other assets," he said. "To acquire the studio... is not smart, because it's hit-driven. It makes no sense for them to acquire the music business or the theme-park business."

Vivendi bought Universal in 2000 when starstruck chief executive officer Jean-Marie Messier decided that the French water utility should diversify. Vivendi bought Universal parent Seagram from the family of Edgar Bronfman Jr. for \$30 billion in Vivendi stock.

Messier was sacked after pushing Vivendi to the verge of insolvency, and the company's management is trying to restore financial order.

The NBC network, with a clear strategic fit with the Vivendi assets, is said to be winning favor with Vivendi executives for a proposal that NBC forwarded.

"NBC is the front-runner here," Mitchell said. But he added that Comcast could make a cash proposal that debt-minded Vivendi would find more attractive.

Contact staff writer Akweli Parker at 215-854-5986 or aparker@phillynews.com

LOAD-DATE: August 13, 2003

FOCUS - 1 of 1 DOCUMENT

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Philadelphia Inquirer

August 13, 2003 Wednesday CITY-D EDITION

SECTION: BUSINESS; Pg. D01

LENGTH: 750 words

HEADLINE: Comcast weighs bid as Vivendi deadline nears;
The cable giant has been quiet while NBC has emerged as front-runner for the French firm's entertainment businesses.

BYLINE: By Akweli Parker; Inquirer Staff Writer

BODY:

So far, Comcast Corp.'s pursuit of Universal Studios has been anything but *The Fast and the Furious*.

More like *The Tacit and the Curious*.

Comcast's name has surfaced repeatedly, if not prominently, as a potential bidder for the U.S. entertainment businesses of French conglomerate Vivendi Universal. The Philadelphia cable giant recently hired former Universal executive Frank Biondi to help it understand the workings of the Vivendi properties.

But Comcast has not confirmed that it is interested.

Vivendi is asking \$14 billion for the businesses, which include Universal Studios - maker of *The Fast and the Furious* movies, among others - along with cable TV's USA Networks and Sci-Fi Channel, and the Universal theme parks.

Vivendi is asking for offers to be submitted by Monday. It is possible Comcast could make its intentions known before then.

For Vivendi, Comcast would provide a welcome foil to NBC, which is reported to be the front-runner after high-profile dropouts recently by movie studio Metro-Goldwyn-Mayer, John Malone of Liberty Media Corp., and oil tycoon Marvin Davis.

Representatives of Vivendi and Comcast would not comment for this article.

A person familiar with the sale said there "clearly was serious interest" from Comcast, and that Malone, who is known as a master of deal brinkmanship, should not be counted out.

Vivendi expects to consider offers through early next month.

The person added that Vivendi was in no rush, and would consider a public stock offering, among other alternatives, if bidders fell short of its asking price.

Comcast, with more than 21 million subscribers, will have close to \$20 billion in debt after its pending sale of home-shopping channel QVC is completed. Would it offer enough to satisfy Vivendi accountants?

Comcast president Brian L. Roberts, in a conference call with analysts last month, danced around the question, saying: "We should opportunistically be looking for ways to improve the company's prospects."

Without addressing the Vivendi situation directly, he said Comcast's size and position in the media world required that it at least investigate big opportunities that come its way.

"Paying down debt, improving the company's investment ratings are all part of [our] strategy," he said.

Besides hiring Biondi, Comcast recently retained Allen & Co., the banking firm that sponsors a media conference each year in Sun Valley, Idaho, that has served as a breeding ground for industry deal-making.

FOCUS - 1 of 1 DOCUMENT

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Los Angeles Times

August 15, 2003 Friday
Home Edition

SECTION: BUSINESS; Part 3; Business Desk; Pg. 1

LENGTH: 908 words

HEADLINE: Comcast Won't Bid for Vivendi Assets;
Cable firm reportedly balks at \$14-billion asking price, leaving few prospective buyers.

BYLINE: Sallie Hofmeister, Times Staff Writer

BODY:

Vivendi Universal may have lost its last, best hope for getting the cash-rich deal it covets when Comcast Corp. said Thursday that it wouldn't make an offer for the French company's U.S. entertainment assets.

Comcast, the nation's leading cable operator, is the latest to drop out of the marathon auction for Vivendi's movie studio, theme parks and television operations.

Its departure positions General Electric Co.'s NBC Inc. — which is proposing a merger of assets involving little cash — as a front-runner heading into Monday's deadline for final offers.

Like others, Comcast balked at the \$14-billion minimum asking price the French media giant set after receiving disappointing bids in the auction's first round earlier this summer, sources said. Most bidders place the value of the assets at \$10 billion to \$12 billion, according to several sources.

Vivendi's lofty price tag prompted Metro-Goldwyn-Mayer Inc. to drop out late last month, and a consortium led by billionaire oil tycoon Marvin Davis also has walked away. The two remaining suitors willing to put up cash for all the assets — Liberty Media Corp. and a consortium led by Vivendi Universal Vice Chairman Edgar Bronfman Jr. — are unlikely to meet the minimum. Another bidder, Viacom Inc., is interested only in Vivendi's cable unit.

Analysts say the reduced competition gives NBC the upper hand in negotiations.

Yet people involved in the auction question whether NBC and its parent GE might be spooked by Comcast's move. Like GE, Comcast is a cautious and disciplined buyer, and had hired a seasoned team to examine the assets, including former Universal Studios Chief Executive Frank Biondi.

A news release issued by Comcast on Thursday raised other questions, about Vivendi's strategy and the status of its talks with NBC.

Several hours after Comcast announced it wouldn't bid for the assets, it issued a release saying it was exploring a cable joint venture with Vivendi that would use their collective entertainment and distribution assets to launch new channels and services.

Such a joint venture would delight Comcast, which had contemplated bidding partly because it figured it could introduce a handful of new channels by drawing upon Universal Studio's vast library, which includes film blockbusters such as "Seabiscuit," "A Beautiful Mind" and the "Jurassic Park" franchise, as well as the "Law and Order" television shows. Universal also owns three cable channels: USA Network, Sci Fi Channel and Trio.

For its part, Comcast controls E Entertainment Television, Golf, G4 and Outdoor Life Network. It is looking for ways to exploit its growing distribution system: Comcast now reaches one out of four American households, or more than 21 million cable subscribers.

The joint venture was proposed Thursday morning by Vivendi CEO Jean-Rene Fourtou after he was informed by Comcast executives that they wouldn't bid, according to sources close to the situation. The sources said Comcast was stunned when Vivendi insisted on releasing a statement. Comcast favored keeping the joint venture talks private.

When Vivendi threatened to put out a statement anyway, Comcast took the offensive, these people said, issuing a release of its own. The release said Vivendi confirmed the talks wouldn't interfere with the asset auction process.

Sources close to Vivendi said the joint venture move was a fall-back plan should the NBC talks falter.

NBC executives declined to comment, but sources close to the company said the broadcaster had downplayed the joint venture idea as a possible negotiating ploy. Said one source: "This won't disrupt or affect the ongoing talks" between NBC and Vivendi.

One person close to the situation said the Comcast-Vivendi joint venture talks were unlikely to go anywhere as long as Vivendi's discussions with NBC and other potential asset bidders were ongoing.

No further meetings have been scheduled between Comcast and Vivendi, these sources said.

Comcast didn't elaborate Thursday on its decision to bail out of the auction process, although people close to the Philadelphia-based company said price was a big factor. The rush to put together a bid also put Comcast on edge, particularly because it was trying to value businesses with which it has no familiarity, such as a movie studio and theme parks.

A latecomer to the auction — with its first meeting with Vivendi taking place only a month ago — Comcast hustled together a team of experts to review the books, including Allen & Co., the prominent New York investment banking firm that has been involved in several previous sales of Universal Studios.

Some Comcast investors, eager to see the company focus on integrating its huge November acquisition of AT&T Broadband, were happy with Thursday's outcome. Though Comcast is a year ahead of schedule in its planned turnaround of the troubled AT&T cable systems, "the timing wasn't right," for another major acquisition, said Aryeh Bourkoff, an analyst at UBS Warburg who follows the company.

Vivendi put the entertainment assets on the block after the ill-fated 2000 marriage between Vivendi and Universal saddled the company with more than \$30 billion in debt and triggered a revolt among shareholders. Vivendi CEO Jean-Marie Messier, architect of the merger, was ousted last year and replaced by Fourtou, who has been selling assets to pare down the debt.

*

Times staff writers Meg James and Richard Verrier contributed to this report.

LOAD-DATE: August 15, 2003

EXHIBIT 17



FORM 8-K

COMCAST CORP - CMCSA

Filed: April 26, 2005 (period: April 20, 2005)

Report of unscheduled material events or corporate changes. e.g acquisition bankruptcy
resignation

Item 1.01 Entry into a Material Definitive Agreement

On April 21, 2005, Comcast Corporation, a Pennsylvania corporation ("Comcast"), announced that it had entered into an asset purchase agreement, dated as of April 20, 2005 (the "Comcast Adelphia Purchase Agreement") with Adelphia Communications Corporation, a Delaware corporation ("Adelphia"), pursuant to which Comcast will, on the terms and subject to the conditions thereof, purchase certain assets and assume certain liabilities from Adelphia and certain of its affiliates and related parties (the "Comcast Adelphia Acquisition"). Concurrently, Time Warner Inc., a Delaware corporation ("Time Warner"), announced that Time Warner NY Cable LLC, a Delaware limited liability company ("TW NY") and a subsidiary of Time Warner and of Time Warner Cable Inc., a Delaware corporation ("TWC"), entered into an asset purchase agreement, dated as of April 20, 2005 (the "TW Adelphia Purchase Agreement" and, together with the Comcast Adelphia Purchase Agreement, the "Adelphia Purchase Agreements"), with Adelphia, pursuant to which TW NY will, on the terms and subject to the conditions thereof, purchase certain assets and assume certain liabilities from Adelphia and certain of its affiliates and related parties (the "TW Adelphia Acquisition" and, together with the Comcast Adelphia Acquisition, the "Adelphia Acquisitions"). The Adelphia Acquisitions include substantially all of the cable systems currently managed by Adelphia. The aggregate consideration payable by Comcast in connection with the Comcast Adelphia Acquisition is \$3.5 billion in cash (the "Purchase Price"). The aggregate consideration payable by TW NY in connection with the TW Adelphia Acquisition consists of approximately \$9.2 billion in cash and shares of TWC's Class A Common Stock, par value \$0.01 per share ("TWC Class A Common Stock"), which are expected to represent 16% of the common stock of TWC as of the closing (the "Adelphia Closing") of the transactions contemplated by the TW Adelphia Purchase Agreement and assuming the redemption of Comcast's interest in TWC, as described below. Following the Adelphia Closing, the shares of TWC Class A Common Stock will be publicly traded.

Comcast and certain of its affiliates, on the one hand, and TWC and certain of its affiliates, on the other hand, also entered into two redemption agreements, each dated as of April 20, 2005 (the "TWC Redemption Agreement" and the "TWE Redemption Agreement," respectively), pursuant to which, among other things, Comcast's interests in TWC and Time Warner Entertainment Company, L.P., a Delaware limited partnership and a subsidiary of Time Warner and of TWC ("TWE"), respectively, will be redeemed (the "TWC Redemption" and the "TWE Redemption," respectively, and, collectively, the "Redemptions"), on the terms and subject to the conditions thereof. Currently, trusts established for the benefit of Comcast own 17.9% of the common stock of TWC and a 4.7% residual equity interest in TWE, which collectively represents a 21% effective interest in TWC's business.

In addition, Comcast and TWC and certain of their respective affiliates entered into an exchange agreement, dated as of April 20, 2005 (the "Exchange Agreement"), pursuant to which, among other things, Comcast and TWC or such affiliates will exchange certain cable systems, some of which are to be acquired in the Adelphia Acquisitions (the "Exchange" and, together with the Adelphia Acquisitions and the Redemptions, the "Transactions").

The Transactions and certain related transactions are described in greater detail below.

The Comcast Adelphia Purchase Agreement

Adelphia's operations primarily consist of providing analog and digital video services, high-speed Internet access and other advanced services over broadband networks. In June 2002, Adelphia and substantially all of its domestic subsidiaries filed voluntary petitions for reorganization under chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code") and are currently subject to chapter 11 proceedings in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court").

The Comcast Adelphia Acquisition will be effected pursuant to a plan under chapter 11 of the Bankruptcy Code satisfying the requirements of the Adelphia Purchase Agreements (the "Plan"). The Comcast Adelphia Acquisition includes (i) Adelphia's controlling interests in two joint ventures that own cable systems serving approximately 1,092,000 subscribers (approximately 784,000 subscribers after pro rating for minority interests) (as of December 31, 2004) and (ii) cable systems serving approximately 138,000 subscribers (as of December 31, 2004). Comcast currently owns the minority interests in the two Adelphia-controlled joint ventures: the Century-TCI joint venture, which owns cable systems in the Los Angeles, California area and the Parnassos joint venture, which owns cable systems in Ohio, Pennsylvania and Western New York.

The Purchase Price is subject to customary adjustments to reflect changes in Adelphia's net liabilities and subscribers as well as any shortfall in Adelphia's capital expenditure spending relative to its budget during the interim period between the execution of the Comcast Adelphia Purchase Agreement and the Adelphia Closing (the "Interim Period"). At the Adelphia Closing, 4% of the Purchase Price will be deposited into escrow to secure Adelphia's obligations in respect of any post-closing adjustments to the Purchase Price and its indemnification obligations for, among other things, breaches of its representations, warranties and covenants pursuant to the Comcast Adelphia Purchase Agreement.

Adelphia and Comcast have made customary representations, warranties and covenants in the Comcast Adelphia Purchase Agreement, including, among others, covenants that (i) require the parties to commence appropriate proceedings before the Bankruptcy Court to obtain approval of the Plan and to use commercially reasonable efforts to obtain the regulatory and other approvals required in connection with the Comcast Adelphia Acquisition and (ii) subject to certain customary exceptions, prohibit Adelphia from soliciting, encouraging or responding to proposals relating to alternative business combination transactions (including pursuing an alternate plan under chapter 11 of the Bankruptcy Code). The Comcast Adelphia Purchase Agreement contains certain termination rights for both Comcast and Adelphia, and further provides that, upon termination of the Comcast Adelphia Purchase Agreement under specified circumstances, Adelphia may be required to pay Comcast a termination fee of approximately \$87.5 million.

The Adelphia Closing is subject to the satisfaction or waiver of conditions customary to transactions of this type, including, among others, (i) receipt of applicable regulatory approvals, including the consent of certain local franchising authorities to the change in ownership of the cable systems operated by Adelphia, (ii) expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, (iii) approval of the Plan by the stakeholders of Adelphia, (iv) satisfactory settlement by Adelphia of the claims and causes of actions brought by the Securities and Exchange Commission and the investigations by the Department of Justice, (v) entry by the Bankruptcy Court of a final order confirming the Plan and (vi) the number of basic subscribers served by Adelphia's cable systems as of a specified date prior to the Adelphia Closing not being below an agreed upon threshold. The Adelphia Closing is expected to occur toward the end of 2005 or in the first quarter of 2006.

The Adelphia Acquisitions are not subject to the consummation of the Redemptions and the Exchange; accordingly, it is possible that the Adelphia Acquisitions will occur but that any or all of the Redemptions and the Exchange will not occur.

The TW Adelphia Purchase Agreement has similar terms to the Comcast Adelphia Purchase Agreement, with certain additional provisions relating to the issuance TWC Class A Common Stock and customary representations and covenants regarding TWC's business. The consummation of each of the Adelphia Acquisitions is conditioned on the contemporaneous consummation of the other.

If the Comcast Adelphia Purchase Agreement is terminated prior to the Adelphia Closing as a result of actions by, or failure to obtain governmental authorizations from, the Federal Communications Commission or any government entity with jurisdiction over the enforcement of U.S. antitrust law, TW NY has agreed that it will also acquire the cable operations of Adelphia that would have been acquired by Comcast pursuant to the Comcast Adelphia Purchase Agreement. In such event, TW NY would be required to pay the \$3.5 billion purchase price to have been paid by Comcast, less Comcast's allocable share of the liabilities (between \$550 and \$600 million) of the Century-TCI and Parnassos joint ventures that are being assumed by Adelphia. This purchase price may be satisfied at TW NY's election in any combination of shares of TWC Class A Common stock and cash. In such event, the Exchange would not take place and Comcast would retain its minority interests in the Century-TCI and Parnassos joint ventures, which would be managed by TWC. Pursuant to a letter agreement dated April 20, 2005 (the "Expanded Transaction Agreement"), among Comcast, TW NY and Adelphia, the parties have agreed that in such an event, the subsidiaries of Comcast that are parties to the Century-TCI and Parnassos joint ventures will contribute to the joint ventures an amount of cash equal to their allocable share of the liabilities of the joint ventures being assumed by Adelphia, and Adelphia or its subsidiaries will receive a distribution equal to the amount of that contribution.

"Section 754 Election" means the election described in Section 754 of the Code.

"Securities Act" means the Securities Act of 1933.

"Self-Regulatory Organization" means the National Association of Securities Dealers, Inc., the American Stock Exchange, the NYSE, any national securities exchange (as defined in the Exchange Act) or any other similar self-regulatory body or organization.

"Seller" has the meaning set forth in the Preamble.

"Seller Audited Financial Statements" has the meaning set forth in Section 5.9(b).

"Seller Confidentiality Agreement" means the letter agreement, dated October 22, 2004, among Seller, Friendco and TWX, as amended by the letter agreement, dated November 9, 2004, the letter agreement, dated January 7, 2005, and the letter agreement dated as of the date hereof.

"Seller Disclosure Schedule" means the disclosure schedule attached hereto as Annex A.

"Seller Indemnified Parties" has the meaning set forth in Section 7.3.

"Seller JV Partner" means (a) with respect to Century, Century Exchange LLC, a Delaware limited liability company and (b) with respect to Parnassos and Western, both of Montgomery Cablevision, Inc., a Pennsylvania corporation, and Adelphia Western New York Holdings L.L.C., a Delaware limited liability corporation.

"Seller Required Approvals" means, with respect to each Specified Business, all consents, approvals, waivers, authorizations, notices and filings, (a) required to be obtained by Seller or any of its Affiliates from, or to be given by Seller or any of its Affiliates to, or made by Seller or any of its Affiliates with, any Person, in connection with the execution, delivery and performance by Seller or any of its Affiliates of this Agreement, the Ancillary Agreements and the agreements contemplated thereby to which it is (or will be) a party, the failure of which to obtain or make would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, other than the Confirmation Order and the LFA Approvals, or (b) that are listed on Schedule 1.1(p) of the Seller Disclosure Schedule and identified as Related to such Specified Business.

"Seller Severance Plan" has the meaning set forth in Section 5.5(c).

"Seller Subscriber Accounting Policy" has the meaning set forth in Section 3.16(e).

"Seller's 401(k) Plan" has the meaning set forth in Section 5.5(j).

"Seller's Objection" has the meaning set forth in Section 2.8(c).

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ANNEXES		
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ASSET PURCHASE AGREEMENT, dated as of April 20, 2005, between Adelphia Communications Corporation, a Delaware corporation ("Seller"), and Comcast Corporation, a Pennsylvania corporation ("Buyer"). Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in Article I.

W I T N E S S E T H:

WHEREAS, Seller and certain of its Affiliates are debtors and debtors in possession (the "Debtors") under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§101 *et seq.* (the "Bankruptcy Code"), having each commenced voluntary cases (jointly

administered as No. 02-41729 (REG)) (the "Reorganization Case") on or after June 10, 2002 (the "Petition Date") in the Bankruptcy Court;

WHEREAS, Seller and its Affiliates are engaged in the business of operating Systems providing customers with analog and digital video services, high-speed Internet access and other services, including telephony services, in the geographical areas listed on Schedule A of the Seller Disclosure Schedule and on Schedule A of the Seller Disclosure Schedule (as defined in the Friendco Purchase Agreement) to the Friendco Purchase Agreement and are engaged in the other businesses and have such other holdings as are set forth on Schedule B of the Seller Disclosure Schedule (together, the "Business");

WHEREAS, Seller desires to sell and assign and to cause certain of its Affiliates to sell and assign to Buyer and Buyer desires to purchase and assume from Seller and such Affiliates, directly or indirectly by the purchase of the JV Interests, certain Assets and Liabilities of the Business, as more particularly set forth herein, including the Systems servicing the geographical areas listed in Part 1 of Schedule A of the Seller Disclosure Schedule (the "Group 1 Systems") and Part 2 of Schedule A of the Seller Disclosure Schedule (the "Group 2 Systems") and together with the Group 1 Systems, the "Acquired Systems");

WHEREAS, simultaneously with the execution hereof, Seller and Time Warner NY Cable LLC, a Delaware limited liability company ("Friendco"), are entering into an Asset Purchase Agreement (together with the schedules and exhibits thereto, all as amended from time to time with the approval of Buyer and disregarding the effectiveness of any waiver by Friendco not approved by Buyer and any waiver by Seller not approved by Buyer to the extent it adversely affects Buyer, the "Friendco Purchase Agreement") pursuant to which Seller has agreed to sell and assign, and to cause certain of its Affiliates to sell and assign, to Friendco and Friendco has agreed to purchase and assume from Seller and such Affiliates on the terms set forth therein, certain Assets and Liabilities of the Business, as more particularly set forth therein (the "Friendco Business");

WHEREAS, simultaneously with the execution hereof, Buyer, Time Warner Cable Inc., a Delaware corporation ("Friendco Parent"), and certain of their Affiliates are entering into the Exchange Agreement, pursuant to which Buyer and/or certain of its

Affiliates will convey to Friendco Parent and/or certain of its Affiliates and Friendco Parent and/or certain of its Affiliates will assume from Buyer and/or certain of its Affiliates the Business Related to the Group 1 Systems and the Group 1 Shared Assets and Liabilities (the "Group 1 Business"), together with additional Systems owned and managed by Buyer and/or certain of Buyer's Subsidiaries, in exchange for a portion of the Friendco Business, together with additional Systems owned and managed by Friendco Parent or its Affiliates, all as more specifically set forth in the Exchange Agreement (the "Exchange");

WHEREAS, upon consummation of the Transaction and the Exchange, the portion of the Business retained by Buyer will be (a) that portion of the Business Related to the Group 2 Systems and (b) the Group 2 Shared Assets and Liabilities (collectively, the "Group 2 Business") and together with the Group 1 Business, the "Acquired Business"; provided, however, that the Acquired Business shall exclude the Assets and Liabilities identified in Schedule C of the Seller Disclosure Schedule;

WHEREAS, prior to or at the Closing, Seller, Buyer and an escrow agent to be mutually selected by Buyer and Seller (the "Escrow Agent") will enter into an escrow agreement in form and substance reasonably acceptable to Buyer and Seller (the "Escrow Agreement");

WHEREAS, in connection with the Transaction, Seller and/or its Affiliates, on the one hand, and Buyer and/or certain of its Controlled Affiliates, on the other hand, shall enter into the other Ancillary Agreements; and

WHEREAS, the Debtors have agreed to file the Plan with the Bankruptcy Court to implement the Transaction upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual representations, warranties, covenants and undertakings contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

ARTICLE I

DEFINITIONS AND TERMS

Section 1.1 Certain Definitions. As used in this Agreement, the following terms have the meanings set forth below:

"Accounts Receivable" means, with respect to each Specified Business, all Subscriber, trade and other accounts and notes receivable, and other miscellaneous receivables of such Specified Business arising out of the sale or other disposition of goods or services of such Specified Business.

Section 3.24 Friendco Purchase Agreement. Seller has previously delivered to Buyer a true and complete copy of the Friendco Purchase Agreement as of the date hereof. Except for the Friendco Purchase Agreement and any Ancillary Agreements (as defined in the Friendco Purchase Agreement), Seller and/or any of its Affiliates, on the one hand, and Friendco and/or any of its Affiliates, on the other hand, are not party to any Contract related to the Transaction or the Friendco Transaction.

Section 3.25 Transactions with Affiliates. Except for this Agreement, the Ancillary Agreements to which it is a party and any Liability arising under this Agreement or any such Ancillary Agreement, from and after the Closing, none of Buyer or its Subsidiaries shall, as a result of the Transaction, be bound by any Contract or any other arrangement of any kind whatsoever with, or have any Liability to, Seller, any Managed Cable Entity or any of their respective Affiliates.

Section 3.26 Finders' Fees. Except for UBS Securities LLC and Allen & Company LLC, whose fees will be paid by Seller, there is no investment banker, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of Seller or any of its Affiliates who might be entitled to any fee or commission in connection with the Transaction.

Section 3.27 No Other Representations or Warranties. Except for the representations and warranties contained in this Article III, neither Seller nor any other Person makes any other express or implied representation or warranty on behalf of Seller

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller that, except as set forth on the Buyer Disclosure Schedule, as of the date hereof and as of the Closing:

Section 4.1 Organization and Qualification.

(a) Buyer is a corporation duly organized, validly existing and in good standing under the laws of Pennsylvania. Buyer has all requisite corporate power and authority to own and operate its Assets and to carry on its business as currently conducted. Buyer has made available to Seller a true and complete copy of Buyer's articles of incorporation and bylaws, each as amended and in effect as of the date hereof.

Section 4.2 Corporate Authorization. (a) Buyer has full corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The execution, delivery and performance by Buyer of this Agreement have been duly and validly authorized and no additional corporate authorization or consent is required in connection with the execution, delivery and performance by Buyer of this Agreement.

(b) Prior to the Closing, each of Buyer and Buyer's Subsidiaries will have full corporate, partnership or similar power and authority to execute and deliver

EXHIBIT 18

**Major League Baseball
Executive Council**
Discussion Materials

September 23, 2004
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Current RSN Landscape

- The cable systems in the Maryland/Virginia/Washington D.C. region are primarily owned by Adelphia, Comcast and Cox.

	<u>D.C.</u>	<u>Maryland</u>	<u>Virginia</u>	<u>Total Subs</u>
- Comcast	97,444	1,024,105	388,940	1,510,489
- Cox	0	0	703,862	703,862
- Adelphia	0	86,535	277,684	<u>364,219</u>
			Top 3 Total	<u>2,578,570</u>

- The footprint also encompasses certain parts of Delaware, North Carolina, Pennsylvania and West Virginia.
- Media rights for professional sports teams in the region are held by Comcast Sports Mid-Atlantic ("CSN").
 - 4.5 million total subscribers (including all satellite and cable operators).
 - Orioles' rights through 2006 season.
 - Capitals (NHL) and Wizards (NBA) rights through the 2013/2014 season.

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Illustrative Senators' RSN Model

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Cable Subs	3,083	3,903	3,922	3,942	3,962	3,981	4,001	4,021	4,041	4,061	4,082
DBS Subs	650	653	656	659	662	665	668	671	674	677	680
Total Subs	4,533	4,556	4,578	4,601	4,624	4,647	4,669	4,692	4,715	4,738	4,762
Inner Market Rate (a)	\$ 1.55	\$ 1.72	\$ 1.78	\$ 1.86	\$ 1.93	\$ 2.01	\$ 2.09	\$ 2.17	\$ 2.25	\$ 2.33	\$ 2.36
Outer Market Rate (b)	0.83	0.85	0.89	0.93	0.97	1.00	1.04	1.08	1.13	1.17	1.17
License Fee Revenue	\$ 67,801	\$ 70,764	\$ 73,994	\$ 77,338	\$ 80,834	\$ 84,488	\$ 88,306	\$ 92,288	\$ 96,470	\$ 100,820	\$ 104,820
Net Ad Revenue	13,841	14,533	15,280	16,023	16,824	17,685	18,548	19,475	20,448	21,472	22,472
Total Revenue	81,742	85,327	89,253	93,351	97,658	102,152	106,855	111,773	116,919	122,302	127,302
Rights Payments (c)	20,000	20,000	21,632	22,497	23,397	24,333	25,308	26,319	27,371	28,466	29,466
Production and Programming	20,322	21,093	21,800	22,747	23,636	24,568	25,545	26,573	27,653	28,763	29,763
Network Operations	1,500	1,500	1,822	1,822	1,822	1,822	1,822	1,822	1,822	1,822	1,822
Advertising Sales	3,257	3,420	3,580	3,770	3,959	4,165	4,364	4,582	4,812	5,052	5,282
Marketing & Affiliate Sales	6,000	6,000	4,311	4,483	4,663	4,849	5,043	5,246	5,455	5,673	5,900
G&A	5,000	5,750	7,020	7,301	7,593	7,897	8,212	8,541	8,883	9,238	9,607
Total Expenses	57,828	58,203	60,528	62,957	65,481	68,136	70,899	73,785	76,801	79,953	83,153
EBITDA	23,914	27,124	28,724	30,404	32,167	34,016	35,955	37,933	40,118	42,348	44,666
% Margin	29.3%	31.8%	32.2%	32.6%	32.9%	33.3%	33.6%	34.0%	34.3%	34.6%	34.9%
% Growth	n/a	73.4%	5.0%	5.6%	5.8%	5.7%	5.7%	5.7%	5.6%	5.6%	5.6%
Net Income (Pre-Tax)	(6,429)	21,429	25,278	27,328	29,325	31,057	32,872	35,224	37,877	39,791	42,006
Plus: Depreciation	1,429	2,485	1,848	1,398	1,079	1,110	1,144	732	311	327	343
Less: Capital Expenditures	(10,000)	(250)	(283)	(278)	(288)	(304)	(315)	(335)	(352)	(369)	(386)
Free Cash Flow (Pre-Tax)	(18,000)	23,664	26,841	28,448	30,115	31,863	33,687	35,620	37,836	39,749	41,963

NPV of Network (Assuming 12x Terminal EBITDA Multiple / 8% Discount Rate)

	Year 1 Inner Market Rate	Year 1 Outer Market Rate	Year 1 Inner Market Rate	Year 1 Outer Market Rate	Year 1 Inner Market Rate	Year 1 Outer Market Rate	Year 1 Inner Market Rate	Year 1 Outer Market Rate	Year 1 Inner Market Rate	Year 1 Outer Market Rate	Year 1 Inner Market Rate	Year 1 Outer Market Rate
\$ 1.20	\$ 1.20	\$ 1.40	\$ 1.50	\$ 1.60	\$ 1.70	\$ 1.80	\$ 1.90	\$ 2.00	\$ 2.10	\$ 2.20	\$ 2.30	\$ 2.40
\$ 20,000	155,839	189,058	257,538	322,019	385,499	448,740	511,841	574,811	637,651	699,361	760,941	822,481
\$ 25,000	119,455	148,969	181,598	246,078	310,559	374,799	439,020	503,220	567,391	631,541	695,671	759,781
\$ 30,000	83,070	113,584	144,098	174,613	204,619	234,619	264,619	294,619	324,619	354,619	384,619	414,619
\$ 35,000	48,886	77,200	107,714	136,228	164,742	193,256	221,770	250,284	278,798	307,312	335,826	364,340
\$ 40,000	10,302	40,816	71,330	101,844	132,358	162,872	193,386	223,900	254,414	284,928	315,442	345,956

NPV of 70% of Network (Assuming 12x Terminal EBITDA Multiple / 8% Discount Rate)

	Year 1 Inner Market Rate	Year 1 Outer Market Rate	Year 1 Inner Market Rate	Year 1 Outer Market Rate	Year 1 Inner Market Rate	Year 1 Outer Market Rate	Year 1 Inner Market Rate	Year 1 Outer Market Rate	Year 1 Inner Market Rate	Year 1 Outer Market Rate	Year 1 Inner Market Rate	Year 1 Outer Market Rate
\$ 1.20	\$ 1.20	\$ 1.40	\$ 1.50	\$ 1.60	\$ 1.70	\$ 1.80	\$ 1.90	\$ 2.00	\$ 2.10	\$ 2.20	\$ 2.30	\$ 2.40
\$ 20,000	105,087	135,140	180,277	225,413	270,550	315,686	360,822	405,958	451,094	496,230	541,366	586,502
\$ 25,000	83,618	104,878	127,119	172,255	217,391	262,528	307,664	352,800	397,936	443,072	488,208	533,344
\$ 30,000	58,149	78,509	100,869	122,229	164,233	185,801	207,369	228,937	250,505	272,073	293,641	315,209
\$ 35,000	32,680	54,040	75,400	96,780	118,120	139,640	161,160	182,680	204,200	225,720	247,240	268,760
\$ 40,000	7,211	28,571	48,931	71,251	92,651	114,051	135,451	156,851	178,251	199,651	221,051	242,451

(a) Extrapolated based on ratio of CSN Mid-Atlantic's estimated license fee to # of games.

(b) Assumes outer market rate equal to 50% of inner market rate.

(c) For illustration purposes only

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AFFILIATES
 ADD \$ 2.00
 CASH

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Advantages of Two-Network JV with Comcast

- Eliminate the uncertainties of pursuing a go-it-alone strategy.
 - Distribution. - we will get (struggle)
 - Rate card. - have either way
 - Winter programming. - winter sports are overvalued & plentiful of other programming
- Synergies resulting from shared cost structure. - 2. 913mm increase in production costs between 2 sport for 11/9m.
- Teams receive both attractive rights payments and value of equity.

Rate card is too low in both modes
 particularly in the winter market
 winter market is bigger than winter

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Illustrative Two-Network JV with Comcast, Orioles & Senators

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
(\$ in 000)											
Cable Subs	3,683	3,903	3,922	3,942	3,962	3,981	4,001	4,021	4,041	4,061	4,082
DBS Subs	860	853	858	863	868	873	878	883	888	893	898
Total Subs	4,543	4,756	4,780	4,805	4,830	4,854	4,879	4,904	4,929	4,954	4,980
Inner Market Rate (a)	\$ 3.00	\$ 3.12	\$ 3.24	\$ 3.37	\$ 3.51	\$ 3.65	\$ 3.80	\$ 3.95	\$ 4.11	\$ 4.27	\$ 4.43
Outer Market Rate (b)	1.50	1.56	1.62	1.69	1.75	1.82	1.89	1.97	2.05	2.13	2.21
License Fee Revenue	\$ 123,457	\$ 128,716	\$ 134,534	\$ 140,915	\$ 147,871	\$ 155,414	\$ 163,557	\$ 172,300	\$ 181,643	\$ 191,586	\$ 199,929
Net Ad Revenue	32,482	33,994	35,590	37,281	39,062	40,938	42,910	44,978	47,142	49,402	51,757
Total Revenue	155,939	162,710	170,124	178,196	186,933	196,352	206,467	217,278	228,785	240,988	251,686
Baseball Programming Rights (c)	40,000	41,800	43,684	45,655	47,714	49,860	52,094	54,418	56,832	59,336	61,930
Winter Programming Rights / NBA & NHL Fees	14,521	15,076	15,684	16,348	17,068	17,844	18,676	19,564	20,508	21,508	22,564
Production and Programming	33,320	34,575	35,887	37,261	38,699	40,205	41,784	43,439	45,176	46,998	48,898
Network Operations	1,800	1,880	1,962	2,048	2,138	2,232	2,330	2,432	2,538	2,648	2,762
Advertising Sales	7,108	7,445	7,789	8,139	8,495	8,857	9,225	9,599	9,979	10,364	10,755
Marketing & Affiliate Sales	8,000	8,311	8,628	8,951	9,280	9,615	9,957	10,305	10,659	11,019	11,384
G&A	5,000	5,250	5,500	5,750	6,000	6,250	6,500	6,750	7,000	7,250	7,500
Total Expenses	103,699	105,887	110,072	114,456	119,030	123,800	128,777	133,971	139,392	145,051	150,932
EBITDA	\$ 52,240	\$ 56,823	\$ 60,051	\$ 63,740	\$ 67,903	\$ 72,552	\$ 77,690	\$ 83,307	\$ 89,393	\$ 95,937	\$ 102,954
% Margin	33.5%	34.9%	35.3%	35.7%	36.0%	36.4%	36.7%	37.0%	37.3%	37.6%	37.9%
% Growth	8.9%	8.9%	5.7%	5.7%	5.6%	5.6%	5.5%	5.5%	5.4%	5.4%	5.4%
Net Income (Pre-Tax)	\$ 49,735	\$ 54,995	\$ 58,565	\$ 62,360	\$ 66,374	\$ 70,608	\$ 75,072	\$ 79,776	\$ 84,720	\$ 89,914	\$ 95,358
Plus: Depreciation	1,428	2,485	1,948	1,396	1,079	1,144	1,222	1,311	1,411	1,522	1,633
Less: Capital Expenditures	(10,000)	(250)	(283)	(276)	(289)	(304)	(319)	(335)	(352)	(369)	(386)
Free Cash Flow (Pre-Tax)	\$ 41,163	\$ 57,220	\$ 59,230	\$ 63,474	\$ 67,463	\$ 71,448	\$ 75,975	\$ 80,753	\$ 85,779	\$ 91,065	\$ 96,505

Value Created for MLB Entities									
2 Teams/2 Networks					1 Team (Senders)/1 Network				
MLB / Comcast Ownership Split					MLB / Comcast Ownership Split				
90 / 10	40 / 60	33 / 67			70 / 30	60 / 40	50 / 50		
\$ 443,354	\$ 354,583	\$ 295,589			\$ 293,118	\$ 251,944	\$ 209,370		

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Cumulative Inner Market Sub Fees – Comparable DMAs

- A sub fee of \$3.00 per sub per month for a two-network entity in Washington D.C. (DMA 8) launching in 2005 would be within the range of cumulative sub fees being paid to regional sports networks in other comparable major markets. Estimated rates shown for markets below reflect the year 2004.
 - DMA 1: New York – \$5.00 (MSG, FSNY, YES)
 - DMA 2: Los Angeles – \$4.35 (Fox Sports West, Fox Sports West 2)
 - DMA 3: Chicago – \$3.51 (Comcast SportsNet Chicago)
 - DMA 7: Dallas / Ft. Worth – \$3.00 (Fox Sports Southwest)
 - DMA 10: Detroit – \$2.19 (Fox Sports Detroit)
- In L.A., Dallas and Detroit, the dominant cable operator does not own an equity stake in the RSN. Since equity ownership has the effect of reducing the "net effective rate" paid by the cable operator, it is possible that we can negotiate a rate higher than \$3.00 in D.C. because of the proposed Comcast ownership interest.

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EXHIBIT 19

IN THE CIRCUIT COURT FOR MONTGOMERY COUNTY, MARYLAND

**COMCAST SPORTSNET MID-ATLANTIC,
L.P.,**

Plaintiff,

v.

**BALTIMORE ORIOLES L.P., TCR SPORTS
BROADCASTING HOLDING, L.L.P., MAJOR
LEAGUE BASEBALL, MID-ATLANTIC
SPORTS NETWORK,**

Defendants.

Civil Action No. 260751-V

FIRST AMENDED COMPLAINT

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Plaintiff Comcast SportsNet Mid-Atlantic, L.P. ("CSN"), by its undersigned counsel, for its First Amended Complaint against Defendants Baltimore Orioles L.P. ("Orioles" or "Baltimore Orioles"), TCR Sports Broadcasting Holding, L.L.P. ("TCR"), Major League Baseball ("MLB"), and Mid-Atlantic Sports Network ("MASN"), alleges as follows:

NATURE OF ACTION

1. This action seeks redress for the Baltimore Orioles' and TCR's breach of contract and breach of the implied covenant of good faith and fair dealing, and MLB's and MASN's tortious interference with contract in violation of Maryland common law.

2. This action challenges the trampling of and disregard for CSN's valuable contractual rights, whereby it produces and exhibits Baltimore Orioles major league baseball games on local pay television. Concerted action by the Orioles and MLB, as owners of the Washington Nationals, has resulted in the creation of MASN, which is currently marketing and

attempting to sell local pay television rights to Orioles games beginning in the 2007 baseball season in violation of CSN's contractual rights.

3. The intended purpose and necessary effect of Defendants' actions has been to deny CSN the full benefits of a bargain that was struck nearly ten years ago to exhibit Orioles games on pay television.

4. The Baltimore Orioles have long engaged in a public campaign to block any Major League Baseball team from playing in Washington, D.C. The basis for this interference has been well-documented – the Orioles did not want to compete with a major league baseball franchise located in Washington, D.C. When MLB announced in September 2004 that it was relocating the Montreal Expos baseball franchise, which MLB purchased in 2002, to Washington, D.C., the Orioles' long-successful campaign finally appeared to have been defeated and fans in the Washington-Baltimore region eagerly anticipated the arrival of a new baseball franchise in the nation's capital.

5. The Orioles, however, continued to employ various tactics to pressure MLB to resolve litigation threats made by the Orioles regarding the Expos relocation to Washington, D.C. MLB eventually bowed to these threats by agreeing to a deal heavily-weighted in the Orioles' favor that includes the creation of a joint venture (or an agreement to create a joint venture) or other new business that combines the Orioles' television rights and the Nationals' television rights under the control of the Orioles.

6. The Orioles finally had relented in their opposition to major league baseball returning to the nation's capital, but the payoff was extraordinary. The Orioles obtained long-term financial and management control in a new regional sports network reportedly worth

hundreds of millions of dollars, even though the Nationals are the team that resides in the larger and more lucrative Washington, D.C. television market.

7. MASN, the new local sports network created from the collusive resolution to the Orioles' threats, claims to own the local television rights to Nationals games and claims to own the local pay television rights to Orioles games beginning in the 2007 season. MASN has been widely reported as being majority owned and controlled by the Orioles, thereby giving the Orioles the unprecedented right to receive the vast majority of the profits from and control over the programming of a sports network that owns the local television rights to the games of a competing team located in a significantly larger and more affluent geographic area. In addition to licensing the rights to Nationals' games to MASN, MLB reportedly has committed to providing \$75 million towards the creation of this new network in return for its minority ownership interest in this network.

8. The creation of MASN, which is a new joint venture or a new business economically owned by the Orioles and MLB, and MASN's current marketing of rights to Orioles games beginning with the 2007 major league baseball season to local cable, satellite and broadcast providers in the Washington-Baltimore region, breaches a contract between CSN (formerly known as Home Team Sports or "HTS") and the Orioles (through TCR, an entity controlled by the Orioles). This contract grants CSN various rights, including the rights to produce and exhibit on pay television Orioles games through the end of the 2006 season, as well as rights to exclusively negotiate until November 1, 2005 for an extension of this contract, and to match competing offers received after November 1, 2005 for the right to televise Orioles games beginning with the 2007 season.

9. Pursuant to its own policies, MLB approved this contract in 1996, and therefore had actual knowledge of the terms and conditions of the contract between CSN and the Orioles, including the exclusive negotiating right and the right-to-match provisions. Accordingly, MLB's participation (as the owner of the Nationals) in the creation of MASN constitutes tortious interference with CSN's contractual rights.

10. MASN has represented and continues to represent to multi-channel video distributors (e.g, cable and satellite television systems) that it has acquired the local pay television rights to Orioles and Nationals games "in perpetuity." The foreseeable consequences of Defendants' knowing and intentional breach of and/or tortious interference with CSN's contractual rights include the loss of the opportunity to retain the local television rights to Orioles games, resulting in enormous tangible and intangible harm to CSN.

11. There are no legitimate business justifications for Defendants' blatant breach of and/or interference with CSN's contract with the Orioles. Permanent injunctive relief, specific performance, monetary damages and/or other relief are necessary to redress Defendants' willful and malicious behavior.

PARTIES

12. Plaintiff CSN is a Delaware limited partnership with its principal place of business in Bethesda, Maryland. It is the successor entity to Home Team Sports Limited Partnership, which Comcast Corporation ("Comcast") acquired in 2000. CSN operates a 24-hour regional sports television network that, among other things, owns the exclusive license to local pay television rights for Orioles games through the 2006 season.

13. Defendant Baltimore Orioles is a Maryland limited partnership with its principal place of business in Baltimore, Maryland. The Orioles own and operate the Baltimore Orioles baseball franchise and own the local pay television and broadcast rights to Orioles games.

14. Defendant TCR is a Maryland limited liability partnership with its principal place of business in Baltimore, Maryland. The general partner of TCR is Baltimore Orioles, Inc. ("BOI"). TCR and BOI are controlled by the Baltimore Orioles. TCR represented the Orioles in signing the contract that licensed the Orioles television rights to CSN.

15. Defendant MLB is an unincorporated association with its principal place of business in New York, New York. MLB purchased the Montreal Expos baseball franchise in 2002, relocated the franchise to Washington, D.C. in September 2004 and operates it today as the Washington Nationals. As the owner of the Washington Nationals baseball team, MLB controls the local television rights to Washington Nationals games.

16. Defendant MASN is a regional sports television network in which the Orioles reportedly have a majority economic interest and in which MLB reportedly has a minority economic interest. MASN's principal place of business is located in Baltimore, Maryland at the corporate offices located at Oriole Park at Camden Yards.

JURISDICTION AND VENUE

17. Defendant Baltimore Orioles is organized under the laws of, may be found in, transacts business in, performs services in, has agents in and/or derives substantial revenue from the State of Maryland. This Court has personal jurisdiction over the Orioles by virtue of its status and/or course of conduct in Maryland under Maryland Code, Courts and Judicial Proceedings § 6-102 and/or § 6-103.

18. Defendant TCR is organized under the laws of, may be found in, transacts business in, performs services in, has agents in and/or derives substantial revenue from the State of Maryland. This Court has personal jurisdiction over TCR by virtue of its status and/or course of conduct in Maryland under Maryland Code, Courts and Judicial Proceedings § 6-102 and/or § 6-103.

19. Defendant MLB may be found in, transacts business in, performs services in, has agents in and/or derives substantial revenue from the State of Maryland. This Court has personal jurisdiction over MLB by virtue of its status and/or course of conduct in Maryland under Maryland Code, Courts and Judicial Proceedings § 6-102 and/or § 6-103.

20. Defendant MASN, upon information and belief, may be found in, transacts business in, performs services in, has agents in and/or derives substantial revenue from the State of Maryland. This Court has personal jurisdiction over MASN by virtue of its status and/or course of conduct in Maryland under Maryland Code, Courts and Judicial Proceedings § 6-102 and/or § 6-103.

21. Plaintiff's claims concern damages in excess of \$25,000. This Court has jurisdiction over the subject matter of these claims pursuant to Maryland Code, Courts and Judicial Proceedings § 1-501.

22. Defendants Orioles, TCR, MLB and MASN carry on regular business in Montgomery County. Venue is proper in this Court pursuant to Maryland Code, Courts and Judicial Proceedings § 6-201.

MAJOR LEAGUE BASEBALL TELEVISION RIGHTS

23. The television rights to MLB games are licensed in several different ways to a number of distinct economic actors. Those rights typically are licensed either by MLB for national telecast to national broadcasters or cable/satellite networks, or by individual teams such as the Orioles or the Nationals for local telecast to local broadcasters or cable/satellite networks. For example, for the 2005 regular season, MLB has licensed a limited number of games to the Fox broadcasting network for national broadcast on local Fox-owned or affiliated broadcast television stations. This arrangement involves a small percentage of all MLB games. MLB also licenses a limited number of games to ESPN, a national sports cable network carried on all, or nearly all, cable and satellite television systems in the United States.

24. Fox broadcast stations and ESPN, in turn, enter into retransmission or affiliation agreements with cable and satellite operators that permit the transmission or carriage of their networks on cable and satellite television systems. These national television networks have the right to select the games they wish to telecast, and typically select games of national or regional interest, such as regular season games between the New York Yankees and Boston Red Sox. These national networks are not permitted to select more than a limited number of games of any particular team, thus leaving local television as the primary means by which teams exploit their television rights.

25. Individual MLB teams retain the local television rights to all of their own games that are not licensed by MLB. The teams typically license the right to produce and televise these games to regional sports cable networks and/or over-the-air local broadcast television stations. CSN currently owns the rights to televise the games of a number of local professional sports

teams, including the Baltimore Orioles, the Washington Wizards of the National Basketball Association, and the Washington Capitals of the National Hockey League.

26. Regional sports networks operate in all or nearly all of the major television markets in the United States, primarily televising local professional and collegiate sports games and related sports programming. These networks, such as CSN, pay substantial licensing fees to professional sports teams to acquire their local television rights. Regional sports networks produce and televise live professional sporting events and operate sports channels on which the events are exhibited. Local professional sports programming is by far the most valuable programming content owned by regional sports networks. Local professional sports programming is and has been the cornerstone of CSN's network for the more than twenty years that the network has operated in the Washington-Baltimore region.

27. Cable and satellite television distributors – also known as multi-channel video distributors – enter into affiliation agreements under which they pay the regional sports networks for the right to distribute the networks over their cable or satellite television systems. Regional sports networks also generate revenue through the sale of advertising time for telecasts on their networks.

CSN'S OWNERSHIP OF BALTIMORE ORIOLES' BROADCAST RIGHTS

28. Since the original creation of the Home Team Sports regional sports network (the predecessor to CSN) over twenty years ago, HTS or CSN has owned the exclusive local pay television rights to Baltimore Orioles baseball games not licensed nationally by MLB. CSN and HTS have paid the Baltimore Orioles many millions of dollars in rights fees to license Orioles baseball games over the years.

29. The local pay television rights to Orioles games are today and have been the most valuable rights owned by CSN and HTS. Orioles local television rights are particularly valuable because of the popularity of the Orioles in the Washington-Baltimore region, the large volume of live programming available as a result of the Orioles' 162-game regular season schedule (a schedule that is roughly equal to the Wizards and Capitals schedules combined), and the lack of other local sports programming alternatives during the summer months.

30. In recognition of the significant value that regional sports networks place on professional sports television rights, regional sports networks typically have negotiated exclusive renegotiation rights and/or rights to match (or rights of first refusal) as part of their professional sports television contracts. The purpose, intent and effect of these contractual provisions is to provide the regional sports network the opportunity to retain its most valuable programming so long as it is willing to offer competitive terms. These rights represent valuable consideration to regional sports networks in exchange for tens of millions of dollars in annual rights fees. They also benefit professional sports teams in that regional sports networks have the incentive to make the substantial financial expenditures necessary to create, market and build a thriving and successful network as part of the parties' long-term relationship.

31. Rights to match and rights of first refusal protect regional sports networks when their agreements with professional sports teams are nearing the end of their terms. The purpose of such provisions, including that any television rights offer be a bona fide offer from a third party that is reducible to cash terms, is to facilitate good faith negotiations between the sports team and the regional sports network and to further ensure that the network will not be forced to match an illegitimate offer from an interested party.

32. On January 1, 1994, Westinghouse Broadcasting Company, Inc. ("WBC") entered into an exclusive agreement (the "1994 Agreement") with the Baltimore Orioles to telecast locally Orioles games on pay television through its controlled affiliate Home Teams Sports Limited Partnership. The 1994 Agreement, which resulted in HTS continuing to televise Orioles games, had a term of three years, expiring on March 31, 1997.

33. During the negotiations of the 1994 Agreement, Westinghouse/HTS sought to enter into a contract with the Orioles for a significantly longer term than three years. In fact, the previous contract whose expiration prompted the negotiation of the 1994 Agreement was for a term of 10 years. The Orioles, however, insisted upon entering into a contract with only a three-year term -- a very short term by regional sports network industry standards and significantly shorter than any professional sports agreement previously entered into by HTS.

34. The Orioles insisted upon entering into only a three-year contract in 1994 because the Orioles wanted their local television rights to expire at or around the same time that the Washington Bullets' (now Wizards) and Washington Capitals' local television agreements with HTS also expired. In particular, the Orioles believed that the near simultaneous expiration of the Orioles', Bullets' and Capitals' local television agreements with HTS could provide an opportunity for the Orioles, either alone or in partnership with others, to start their own new regional sports network.

35. Like every other agreement that the HTS network previously had entered into with the Orioles, Bullets or Capitals, the 1994 Agreement included exclusive negotiation period and right of first refusal provisions. In particular, Section 15.1 of the 1994 Agreement provided that "[d]uring the three-month period commencing on October 1, 1995 and ending on December 31,

1995, the Orioles and WBC shall negotiate exclusively with each other and with no other party with respect to acquiring additional years of Pay Television Rights." Section 15.1 further provided that if no agreement was reached during the exclusive negotiating period, "WBC shall have the right of first refusal with respect to the Pay Television Rights" for the fifteen month period beginning on January 1, 1996 and ending on March 31, 1997. Under the right of first refusal provision, WBC had the right to match any bona fide offer from a third party to telecast locally Orioles games on pay television within 60 days of notice of such offer.

36. In light of the broad exclusive renegotiation rights and rights of first refusal set forth in Section 15.1 of the 1994 Agreement, the Orioles negotiated significant "exceptions" to these rights to provide the Orioles with the opportunity to start a new sports network to televise Orioles games at the conclusion of the 1994 Agreement. In particular, Section 15.2 of the 1994 Agreement (captioned "Exceptions") provided that neither the exclusive negotiation right nor right of first refusal provisions in Section 15.1 would apply if: (1) the Orioles decided to retain their local pay television rights, and produced and distributed Orioles games themselves to pay television outlets; (2) the Orioles licensed their pay television rights to a third party venture in which the Orioles or their principal owner Peter Angelos owned at least a 38% equity interest and where "major decisions" by the venture required the Orioles' approval; or (3) if the Orioles decided to retain their pay television rights, not license them to any third party, but instead contracted with one or more third parties in which the Orioles or Peter Angelos owned at least a 38% interest to produce and distribute Orioles games to pay television outlets.

37. Following the lapse of HTS' exclusive negotiating period, the Orioles, in cooperation with the Bullets and Capitals, negotiated with Fox/Liberty Networks (an entity with

ownership interests in and affiliations with numerous regional sports networks and owned by Liberty Media Corporation and News Corporation), to create a new regional sports network that would televise, among other things, Orioles games on local pay television. On July 19, 1996, this new regional sports network, Mid-Atlantic Sports Network, L.L.C., a different entity than Defendant MASN, entered into a ten-year agreement (the "1996 Agreement") for the Baltimore Orioles' local pay television rights. Mid-Atlantic Sports Network, L.L.C. was owned in part by the Baltimore Orioles or entities controlled by the Orioles. Defendant TCR represented the Orioles as a signatory to the 1996 Agreement.

38. On the same day, the Bullets and Capitals also entered into agreements with Mid-Atlantic Sports Network, L.L.C. for the local pay television rights to Bullets and Capitals games. These agreements provided the Bullets and Capitals with the option to own interests in Mid-Atlantic Sports Network, L.L.C., though their combined interests were less than the Orioles' interest.

39. The 1996 Agreement between the Orioles and Mid-Atlantic Sports Network, L.L.C. licensed the local pay television rights to Orioles games on an exclusive basis within a specified geographic territory for a ten-year period. The contractual term of the 1996 Agreement extended from November 1, 1996, until thirty days after the final game of the 2006 World Series. The 1996 Agreement provided for extraordinary increases in the license fees paid to the Orioles.

40. Under the 1996 Agreement, the Orioles agreed that for the duration of the term of the 1996 Agreement they would "not grant to any other entity the right to telecast or otherwise distribute in the [t]erritory" any games to be telecast on pay television.

41. As part of the consideration for guaranteeing ten years of rights fees, the 1996 Agreement includes certain exclusive rights to negotiate an extension to the 1996 Agreement and the right to match any agreement reached with a third party after the exclusive negotiating period.

42. In particular, Section 16 of the 1996 Agreement provides:

Right to Match. Prior to the last year of the Term, MASN has the right to negotiate exclusively and during the last year nonexclusively for an extension of this Letter Agreement or a new agreement. If Owner and MASN do not reach an agreement and Owner thereafter receives a bona fide written offer from a third party for the telecast rights for the games of the Team, Owner shall promptly forward such offer to MASN and MASN shall have the right to match such offer within thirty (30) days thereafter and obtain the offered rights. In order to allow for a fair comparison of offers, Owner agrees to entertain only those offers for the rights for the games of the Team which are for a fixed term of no less than three (3) years and in which all elements are reasonably reducible to a cash value, matchable in cash, and reasonably related to the grant of rights therein. This provision will survive expiration of this Letter Agreement.

43. Significantly, the "exceptions" to the exclusive negotiation and right of first refusal provisions that were included in the 1994 Agreement, and which permitted the Orioles to retain their local pay television rights under various circumstances notwithstanding the exclusive negotiation right and right of first refusal set forth in the 1994 Agreement, were not included in the 1996 Agreement.

44. Shortly after it was signed on July 19, 1996, the Orioles sent the 1996 Agreement to MLB for its review and approval, as required by MLB rules. MLB, through the Office of the Commissioner, subsequently reviewed the 1996 Agreement and approved the terms at issue here.

45. The Orioles, through TCR, recognized that the 1996 Agreement with Mid-Atlantic Sports Network, L.L.C. was subject to HTS' right of first refusal contained in the 1994

Agreement. On July 22, 1996, just three days after executing the 1996 Agreement, the Orioles sent the 1996 Agreement to HTS to comply with the 1994 Agreement's right-to-match provision.

46. By letter dated September 17, 1996, HTS notified the Orioles that it elected to exercise its right to match and agreed to the applicable contractual terms described in the 1996 Agreement. On October 8, 1996, the Orioles, TCR and HTS signed an agreement acknowledging HTS' acceptance of the 1996 Agreement. That agreement incorporated the terms of the 1996 Agreement, as modified by the parties and/or MLB, and substituted "HTS" for Mid-Atlantic Sports Network, L.L.C. in all instances. The agreement acknowledging HTS' acceptance of the 1996 Agreement also provided for a \$10 million payment to the Orioles as consideration for the 38% ownership that the Orioles were to have in Mid-Atlantic Sports Network, L.L.C.

47. HTS exercised similar right of first refusal provisions to retain the local pay television rights to the Bullets and the Capitals in 1996. These agreements also contain rights of exclusive negotiation and rights to match.

48. Had HTS not had the right of first refusal provisions set forth in its various agreements with the Orioles, Bullets and Capitals, HTS would have gone out of business in 1996, literally overnight, because it would have lost all of its most valuable programming to a network owned in part by the Orioles, Bullets and Capitals. This experience confirmed the critical importance of having strong exclusive negotiation and right of first refusal/right to match provisions – provisions that are included in the various 1996 agreements with the Orioles, Bullets and Capitals – to guarantee the opportunity to extend these agreements at their expiration. None of the 1996 agreements contain any exceptions, like those found in the 1994 Agreement, that

permit a team to retain its rights and produce its own games for local pay television on a new network created by a team without triggering the right to match provisions in the agreements.

49. In 2000, Comcast, through its wholly-owned subsidiaries, acquired all the partnership interests in HTS, and thereby acquired all of HTS' rights in the 1996 Agreement. After the HTS acquisition, the HTS name was changed to CSN and CSN attempted to negotiate extensions of the various agreements with the Orioles, Bullets and Capitals. Agreements were reached with the Bullets (by now the Washington Wizards) and Capitals that extend CSN's rights to televise the Wizards through the 2011 season and the Capitals through the 2016 season.

**CSN'S NEGOTIATIONS TO ACQUIRE THE LOCAL
PAY TELEVISION RIGHTS TO NATIONALS GAMES**

50. After MLB announced that the Montreal Expos would be moved to Washington, D.C., Comcast representatives, on behalf of the company's wholly-owned subsidiary CSN, began negotiations with representatives of MLB to acquire the local pay television rights to Nationals games. Comcast representatives engaged in numerous meetings with MLB, making clear CSN's desire to produce and televise Nationals games in a manner that would ensure distribution to the largest possible fan base and the enhancement of the Nationals' television rights throughout the Washington-Baltimore region. This was to include a significant rights fee to the Nationals and aggressive marketing of the team and its pay television product.

51. The negotiations for a long-term agreement between MLB and CSN for the Nationals' local pay television rights were advancing toward final conclusion when MLB abruptly withdrew from the negotiations.

52. At or around this time, stories began appearing in national and local media that the Orioles were threatening litigation against MLB regarding the Nationals' relocation to Washington, D.C., that these threats and any ensuing litigation would make the sale of the Nationals by MLB to new owners difficult (if not impossible) and that a potential compromise under discussion between the Orioles and MLB involved the creation of a new regional sports network that would own the local television rights to both teams and would be controlled by the Orioles.

THE FORMATION OF MASN

53. On or around March 31, 2005, and in connection with reports that the Orioles had agreed to a compensation package in exchange for dropping their opposition to the Nationals' relocation to Washington, D.C., the Orioles and MLB announced that they had agreed to create a joint venture that would own and license the local television rights to Orioles and Nationals games. Specifically, on March 31, 2005, MLB issued a press release entitled "MLB, Orioles reach agreement." This press release announced that the Nationals had been granted a home television territory which was co-extensive with the home television territory of the Orioles and that MLB and the Orioles had reached an agreement to protect the Orioles "from any adverse effects caused by the relocation of the Montreal Expos" to Washington, D.C.

54. The press release further described the creation of a new sports network, MASN, as part of a "settlement" between the Orioles and MLB:

Both clubs have agreed to form a joint venture designed to insure that fans throughout the Orioles' and Nationals' home television territory can continue their allegiance to the American League club, while also giving them a team to root for in the National League. The joint venture, backed by MLB, will guarantee the

Nationals a fair market value for the club's broadcasting rights, as well as normal protections concerning the quality and frequency of telecasts.

55. MASN has been created as a regional sports television network to produce and exhibit on pay television Washington Nationals games beginning in the 2005 season and Orioles games beginning in the 2007 season. Numerous media reports have described MASN as being jointly owned by the Orioles and MLB (in its capacity as owner of the Nationals). MASN reportedly is currently 90% owned by the Orioles and 10% owned by MLB and/or entities controlled by MLB. The ownership structure of MASN reportedly can change over a long period of time, but in no event will the Orioles own less than two-thirds of MASN.

56. MLB reportedly has agreed to pay \$75 million for its ownership and/or economic interest in MASN. In connection with MLB's sale of the Nationals' franchise, MLB reportedly has asked potential owners to submit two separate bids: one bid for the Nationals' franchise, and a second bid for the Nationals' franchise and MLB's interest in MASN.

57. MASN reportedly has agreed to pay the Nationals a fee of \$21 million annually, subject to adjustment over time, for the right to televise locally on pay television Nationals games for the foreseeable future.

58. MASN has, in turn, commenced negotiations with multi-channel video distributors regarding the local pay television rights to Orioles games beginning with the 2007 season. During negotiations attended by MASN and Orioles representatives, MASN has represented that it owns the rights to televise Orioles games on pay television beginning with the 2007 season and continuing in perpetuity. Specifically, a proposed term sheet provided to

Comcast representatives by MASN states that "MASN will be the local television outlet for MLB's . . . Baltimore Orioles starting with the 2007 season."

THE ORIOLES' BREACH OF THE 1996 AGREEMENT

59. As set forth above, Section 16 of the 1996 Agreement expressly provides that, prior to November 1, 2005 (which marks the beginning of the final year of the contract term), CSN has the right to negotiate exclusively for an extension of the 1996 Agreement or a new agreement. During this time, the Orioles and TCR cannot negotiate with any third party with regard to their future pay television rights. The Orioles may begin negotiations with a third party for the license of pay television rights beginning with the 2007 season only on or after November 1, 2005.

60. The Orioles and TCR have breached the exclusive negotiations period provision of the 1996 Agreement by negotiating with MLB for the creation of MASN. In particular, MASN is an entity that is owned or otherwise economically controlled by the Orioles and MLB. MLB has paid and/or has agreed to pay tens of millions of dollars for an ownership and/or economic interest in MASN. As such, MLB has acquired an ownership and/or economic interest in the Orioles' future local pay television rights.

61. The Orioles and TCR also have breached the right-to-match provision of the 1996 Agreement by failing to provide CSN notice of any agreement between the Orioles and MLB regarding any joint venture or other business entity relating to the local pay television rights to Orioles games beginning with the 2007 season. MLB and the Orioles jointly own MASN, and MASN purports to own the Orioles local pay television rights beginning with the 2007 season. Because the Orioles and/or TCR have transferred an economic interest in the Orioles' future

television rights to MLB as an owner of MASN, and have not provided CSN with the right to acquire such future Orioles television rights, the Orioles and TCR have violated the 1996 Agreement.

62. Alternatively, the Orioles and TCR have otherwise violated CSN's contractual rights by failing to provide CSN with the opportunity to extend the 1996 Agreement by negotiating in good faith during the exclusive negotiating period. The clear intent and purpose behind the combination of the right of exclusive negotiation and the right to match provision set forth in the 1996 Agreement is to guarantee CSN the opportunity to extend the 1996 Agreement. To the extent that the Orioles, TCR and MASN have frustrated CSN's right to determine whether or not to televise Orioles games on local pay television beyond the 2006 season, they have breached the 1996 Agreement.

63. The Orioles and TCR to date have not provided notice or opportunity to match to CSN, and the Orioles through their control of MASN have begun attempts to license the rights to Orioles games beginning with the 2007 season to multi-channel video distributors in derogation of CSN's contractual rights under the 1996 Agreement, including the implied covenant of good faith and fair dealing.

MLB'S AND MASN'S INTERFERENCE WITH CSN'S CONTRACT WITH THE ORIOLES

64. MLB rules require that its member teams submit for review and approval all local television license agreements. Soon after the 1996 Agreement was reached between the Orioles and Mid-Atlantic Sports Network, L.L.C., the Orioles forwarded the Agreement to MLB. In August 1996, Leslie Sullivan, MLB's Director of Broadcasting, advised the Orioles that certain

provisions of the 1996 Agreement required modification. MLB did not take issue with either the exclusive negotiating period provision or the right-to-match provision (or any other provision) contained in Section 16 of the 1996 Agreement.

65. MLB subsequently learned that HTS had exercised its pre-existing right to match as set forth in the 1994 Agreement and become party to the 1996 Agreement. MLB also learned that Comcast acquired HTS, thereby acquiring HTS' rights in the 1996 Agreement that continue in effect today.

66. MLB's participation and economic ownership interest in a joint venture or other new business that purports to own the rights to Orioles games beginning in the 2007 season has interfered with and assisted the Orioles in the breach of CSN's exclusive negotiation rights and rights to match, including the breach of the implied covenant of good faith and fair dealing.

67. MASN has engaged in negotiations with multi-channel video distributors regarding the local pay television rights to Orioles games beginning with the 2007 season. During negotiations attended by MASN and Orioles representatives, MASN has represented that it owns the rights to broadcast Orioles games on pay television beginning with the 2007 season and continuing in perpetuity.

68. MASN directly, and through its owners the Orioles and MLB, has actual knowledge of CSN's 1996 Agreement with the Orioles and the exclusive negotiating right and right-to-match provisions contained therein. MLB and MASN also are aware that CSN has not been provided an opportunity to match any agreement involving the Orioles' 2007 local pay television rights and that CSN otherwise has been prevented from exercising its rights and enjoying the benefits of the 1996 Agreement.

69. MASN's negotiations with multi-channel video distributors regarding the 2007 local pay television rights to Orioles games evidence the blatant breach of and interference with CSN's exclusive negotiation rights and CSN's right to match any third party offer for such rights. As a part owner of MASN, and as a result of MLB's knowledge of MASN's aforementioned negotiations, MLB also intentionally interfered with CSN's exclusive negotiating rights and CSN's right to match any third party offer for such rights, including the breach of the implied covenant of good faith and fair dealing.

HARM SUFFERED BY CSN

70. As a direct and foreseeable consequence of Defendants Orioles and TCR's breach of the 1996 Agreement, their breach of the covenant of good faith and fair dealing and/or Defendants MLB's and MASN's tortious interference with that Agreement, CSN stands to suffer significant harm, including but not limited to significant monetary damages.

71. Absent Defendants' breach of contract, breach of the covenant of good faith and fair dealing, and/or tortious interference with contract, CSN would have the opportunity to retain the Orioles' pay television rights beginning with the 2007 season and extending for the same long-term period for which MASN has represented that it has licensed the Orioles' future local pay television rights. Accordingly, with respect to the telecasts of Orioles games, CSN is entitled to match the agreement under which MASN currently purports to be operating.

72. Defendants' breach of CSN's contractual rights, breach of the covenant of good faith and fair dealing, and the tortious interference with such rights has caused CSN to suffer significant monetary damages arising from CSN's lost opportunity to retain the Orioles local pay television rights, as well as certain damage not compensable by monetary award.

COUNT I
(Breach of Contract Against Orioles and TCR)

73. Plaintiff CSN repeats and realleges the allegations set forth in Paragraph 1 through 72 above.

74. At all times relevant hereto, CSN has fully complied with all of its material obligations under the 1996 Agreement.

75. The Agreement provides that "[p]rior to the last year of the Term, [CSN] has the right to negotiate exclusively . . . for an extension of this Letter Agreement or a new agreement." The last year of the Term does not commence until November 1, 2005.

76. Defendants TCR and the Orioles have breached the 1996 Agreement by negotiating the Orioles' future local pay television rights and/or transferring economic interests in those rights in violation of the exclusive negotiating right contained therein.

77. Defendants TCR and the Orioles also have breached the 1996 Agreement by failing to provide CSN and/or TCR notice of and the opportunity to match the terms of the license of the Orioles local pay television rights to the joint venture and/or MASN. Defendants TCR and the Orioles also have breached the right-to-match provision of the 1996 Agreement by transferring economic interests in the Orioles' future local pay television rights to MLB.

78. As a direct, proximate and foreseeable result of these breaches of the 1996 Agreement, CSN has been injured in its business and property.

COUNT II
(Breach of Implied Covenant of Good Faith and Fair Dealing Against Orioles and TCR)

79. Plaintiff CSN repeats and realleges the allegations set forth in Paragraph 1 through 78 above.

80. At all times relevant hereto, CSN has fully complied with all of its material obligations under the 1996 Agreement.

81. The Agreement provides that "[p]rior to the last year of the Term, [CSN] has the right to negotiate exclusively . . . for an extension of this Letter Agreement or a new agreement." The Agreement also provides CSN the right to match any agreement with a third party regarding future Orioles rights.

82. Through the launch of MASN, Defendants TCR and the Orioles have acted in a manner so as to prevent CSN from exercising its rights and receiving the benefits of the 1996 Agreement. The actions alleged herein reflect bad faith conduct on behalf of TCR and the Orioles designed to nullify significantly the value that the 1996 Agreement confers on CSN. The manner in which TCR and the Orioles have formed and/or created MASN constitutes a subterfuge and an intentional evasion of the bargain that the parties struck through the 1996 Agreement.

83. As a direct, proximate and foreseeable result of these breaches of the implied covenant of good faith and fair dealing, CSN has been injured in its business and property.

COUNT III
(Tortious Interference with Contract Against MLB and MASN)

84. Plaintiff CSN repeats and realleges the allegations set forth in Paragraph 1 through 83 above.

85. At all times relevant hereto, CSN has fully complied with all of its material obligations under the 1996 Agreement.

86. MLB reviewed and was aware of the terms of the 1996 Agreement, including the provisions providing exclusive rights to negotiate and the right to match.

87. MASN, through its ownership by the Orioles and MLB, was similarly aware of CSN's contractual rights to televise Orioles games, including the provisions providing exclusive rights to negotiate and the right to match.

88. MLB demonstrated bad faith, malicious intent, the intent to injure CSN, ill will and utter disregard for CSN's contractual rights when MLB supported and entered into the joint venture and acquired an economic interest in MASN, in each case blatantly violating the 1996 Agreement.

89. MLB, as a minority owner of MASN, and MASN demonstrated bad faith, malicious intent, the intent to injure CSN, ill will and utter disregard for CSN's contractual rights when MASN represented to third parties that it owned the rights to telecast on pay television Orioles games beginning in the 2007 season and thereafter.

90. As a direct, proximate and foreseeable result of MLB's and MASN's tortious interference with the 1996 Agreement, CSN has been injured in its business and property.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against Defendants as follows:

- a. Adjudging Defendants Orioles and TCR to have breached the 1996 Agreement with CSN;
- b. Adjudging Defendants Orioles and TCR to have breached the implied covenant of good faith and fair dealing;

- c. Adjudging Defendants MLB and MASN to have tortiously interfered with the 1996 Agreement;
- d. Enjoining Defendants from negotiating and/or agreeing to license the local pay television rights to Orioles games with any third party for such period after November 1, 2005 as the Court deems equitable and appropriate;
- e. Enjoining the Orioles and MLB from taking any further steps to formalize or operate their joint venture;
- f. Enjoining MASN from performing on any contracts involving the local pay television rights to Orioles games;
- g. Rescinding any contracts involving the license of local pay television rights to Orioles games between the Orioles and the joint venture, between the Orioles and MASN, and between any entity owned or controlled by the Orioles and any other entity owned or controlled by the Orioles, including MASN;
- h. Ordering Defendants TCR and Orioles to specifically perform all obligations set forth in the 1996 Agreement, including the exclusive negotiation and right-to-match provisions;
- i. Enjoining Defendants MLB and MASN from taking any other actions that would directly or indirectly interfere with CSN's rights under the 1996 Agreement;
- j. Awarding Plaintiff compensatory damages in an amount to be determined at trial;
- k. Awarding Plaintiff the costs of litigation, including its reasonable attorneys' fees;
- l. Award Plaintiff punitive damages in connection with its tortious interference with contract claim;

m. Awarding Plaintiff such other and further relief as this Court deems proper and equitable.

Dated: May 24, 2005

ETHRIDGE, QUINN, McAULIFFE, ROWAN &
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CERTIFICATE OF SERVICE

I hereby certify that the foregoing Plaintiff Comcast SportsNet Mid-Atlantic, L.P.'s First Amended Complaint, was mailed via first class mail, postage prepaid, this 24th day of May, 2005, to:


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